

# VAILLANT GROUP





# TAKING CARE OF A BETTER CLIMATE.

What does a global market leader for heating technology do once it has received the German Sustainability Award as Germany's most sustainable large company? What about a company whose sustainability strategy ranks among the top three in Germany? One that has already achieved several of its sustainability targets for 2020? The answer is simple: it sets itself new, even higher targets. It takes a critical look at where it still needs to improve, where the standards it has set itself have not yet been met. It does not rest on its laurels looking at past achievements, but strives to further entrench sustainability in the organisation; to make sustainability a matter of course. For all 12,000 employees. With a clear vision: Taking care of a better climate. Inside each home and the world around it.

# AT A GLANCE



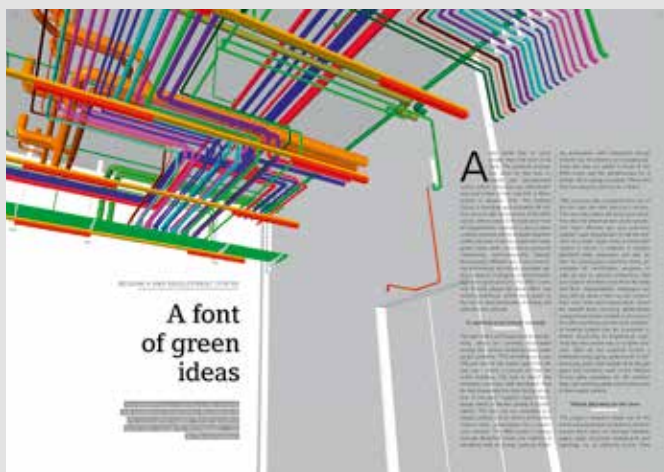
Taking care of a better climate. A corporate vision that packs a punch and really puts us to the test. And so it should – that's exactly what it's there for.

**Welcome to the Vaillant Group (p. 6)**



Industrial revolutions are usually only labelled as such after they have happened. However, we are already certain that we have completely revolutionised the product development process.

**6 Green Rules (p. 8)**



54 million euros. This would buy you around 200 swanky flats in Berlin. Or a state-of-the-art epicentre of sustainable innovation.

**A font of green ideas (p. 12)**



What do you get when you put two visionaries in one room? An authentic insight into sustainability management in Germany's most sustainable large company.

**Top-level talk (p. 16)**



A new addition to the family is always a joyful occasion. This also goes for the most sustainable and intelligent range of heating technology products, Green iQ. We have a flick through the family album.

**Green and intelligent – the pick of the bunch (p. 20)**



Responsibility doesn't stop at the factory gate. That's why we asked to be evaluated by the very people who, by profession, are well versed here: our suppliers.

**Our partners' perspective (p. 24)**



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Export hit: the highly reputed S.E.E.D.S. sustainability programme is on tour. It has already been welcomed with open arms in Austria.  
[Green Austria \(p. 28\)](#)



Enthusiasm is infectious. Especially when combined with practically unparalleled sustainability expertise. As is the case with Professor Stefan Schaltegger.  
[The most exciting topic in the world \(p. 32\)](#)



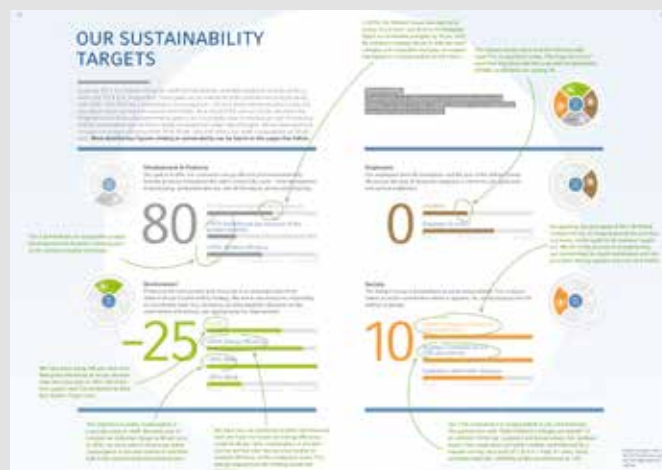
Time for some honesty: is it exciting to be named Sustainability Ambassador? What drives people to continuously whip themselves and their colleagues into shape? We found out.  
[The Ambassadors \(p. 38\)](#)



SOS Children's Village Berlin opens up opportunities to those who struggle to find a break elsewhere. We report on the organisation's work and on the biggest smile in the world.  
[Finding the right path \(p. 44\)](#)



Sometime you have to do something a little crazy if you want to raise awareness of the dramatic consequences of climate change – like run 127 kilometres through the Brazilian jungle.  
[Endangered treasures \(p. 52\)](#)



The plain facts. All about green products, water savings by the bucket and the mammoth task of increasing responsibility along the global supply chain.  
[Our sustainability targets \(p. 62\)](#)

Dear reader,

Lighthouses are measured not only by their size, but also by how far they shine. We have set up a number of lighthouses since launching the strategic S.E.E.D.S. sustainability programme – systematically and with passion. This led to the Vaillant Group being named Germany's most sustainable large company.

This award not only honours what we've already done, it also spurs us on to achieve even greater things in the future. It makes us even more determined to fulfil the demands of our vision "Taking care of a better climate"; to transform a sustainable mindset into a matter of course in our company. Also, and especially, in areas where this isn't so straightforward.

Over the past year, we have therefore made a very conscious effort to anchor sustainability more firmly in the organisation. With the **6 Green Rules (p. 8)**, which ensure that binding sustainability criteria are integrated into the product development stage from here on in, we have taken a huge step towards even greener technology.

The appointment of S.E.E.D.S. Ambassadors is also key to underpinning sustainability in the company. Their role includes promoting projects originating from the central Sustainability Management team in their markets and departments besides identifying locally relevant topics. Their **views (p. 38)** offer important impetus.

For us as a family-owned company, responsibility comes in many different forms. The partnership with "SOS Children's Villages worldwide" (p. 44), which sees us supporting the children's aid organisation with efficient heating technology, has become particularly dear to our heart. More and more colleagues are supporting the organisation from various areas of the company, showing a great deal of dedication to the cause.

We therefore cannot complain of a lack of green lighthouses; of examples showing what drives every single one of us in our day-to-day work. What we now have to do is shine their light into every single part of the company. We look forward to doing this with you.

Join us as we move forward.



**Dr Carsten Voigtländer**

Chief Executive Officer



**Dr Andree Groos**

Managing Director  
Sales, Marketing  
and Service



**Dr Dietmar Meister**

Managing Director  
Finance and Services



**Dr.-Ing. Norbert Schiedeck**

Managing Director  
Technology

# WELCOME TO THE VAILLANT GROUP

Brands of the  
Vaillant Group

 **Vaillant**

 **Saunier Duval**

 **awb**

 **Bulex**

 **DemirDöküm**

**Glow.worm**

 **Hermann  
Saunier Duval**

 **protherm**





The Vaillant Group is a global market and technology leader in the fields of heating, ventilation and air-conditioning technology. Sustainability is central to the identity of the family-owned company, which received the 2015 German Sustainability Award as Germany's most sustainable large company. Each and every one of our over 12,000 employees in more than 60 countries around the world do their bit to keep the company sustainable. Many of them work within an international network of eleven production and development sites spread across five European countries, Turkey and the People's Republic of China.

They all strive to achieve the same vision: Taking care of a better climate. Despite being rewarded in May 2017, the Vaillant Group's vision has applied ever since Johann Vaillant established the company in 1874. Vaillant has been converting energy into warmth for people since day one. We specialise in heating, ventilation and air-conditioning technology – all of which are critical factors in the energy revolution. In the European Union, more than 40 per cent of primary energy is used in and for buildings. As a result, the company, which is 100 per cent family-owned, is focussing on the areas in which it can make the biggest difference: helping meet climate targets through intelligent products and solutions for heating and hot water. "Taking care of a better climate" is both our ambition and responsibility – for the sake of millions of people's homes and the global climate.

The Vaillant Group's eight brands offer a full range of heating, ventilation and air-conditioning technologies and thus the perfect systems to meet almost any requirements. The long-established Vaillant brand represents innovative and efficient products, intelligent control systems and optimum service, or in other words the highest standards when it comes to a future-oriented approach, user friendliness, design, efficiency and sustainability. Hence launching Green iQ, a product range that stands for even greener technology and intelligent networking – from the first brushstroke to the point of disposal.

The Saunier Duval brand group, with its seven brands (Saunier Duval, AWB, Bulex, DemirDöküm, Glow-worm, Hermann Saunier Duval and Protherm), makes up a significant part of the Vaillant Group's product range. It specialises in products for the high-volume mid-range price segment. The Saunier Duval Group's brands are characterised by intelligent, simple and reliable heating technology.

One company, eight brands, over 12,000 employees and one vision: Taking care of a better climate.







## GREEN PRODUCT DEVELOPMENT



With the 6 Green Rules, the Vaillant Group is ensuring that sustainability criteria are taken into account during the product development process, from the first sketch throughout the entire product life cycle. A milestone for more sustainability.

### Interview with Marion Storch

Marion Storch is the engineer in the Vaillant Group's Sustainability Management team. She was heavily involved in drafting the 6 Green Rules and has thus anchored her vision of sustainability in the development process.

#### → Ms Storch, what exactly are the 6 Green Rules?

↔ The 6 Green Rules are, quite literally, six rules we've established to make sure sustainability criteria are considered in the development process from the very first brushstroke onwards. They form a fixed part of the development process and apply to each and every product we develop at the Vaillant Group. The criteria are important: customers are demanding sustainable products, as are legislators both in Germany and across Europe. These are demands we also place on ourselves.

#### → How did the 6 Green Rules come about?

↔ We always wanted to integrate reliable, fixed sustainability criteria that can easily be applied in the product development process. The Green iQ product line played an important role in developing the criteria as we were able to jointly shape a high sustainability standard during the development of these products. By restructuring our product development process, we were able to incorporate the 6 Green Rules into the process landscape.

#### → Why was it necessary to enshrine the 6 Green Rules in the development process?

↔ Quite simply because doing so encourages us to consider sustainability from the very start of the development process. It makes decisions easier for engineers and techni-

cians, e.g. when choosing materials, as they can now refer to measurable, reliable criteria, such as recyclability, that can easily be applied in their work. We have to remember that the engineers make decisions concerning the magic triangle "quality – costs – time" in all development projects. Sustainability is a kind of fourth dimension here, which will now also be considered thanks to the criteria.

#### → How do they work?

↔ The beauty of the rules is that they work in exactly the same way as any other criterion in the development process. Product Management determines the requirements. The engineers can then find everything they need in one central document, which prompts them to check that the criteria are being fulfilled at appropriate stages in the development process. They are simply integrated into the existing process and will therefore become a natural part of product development – just like sustainability is a natural part of the Vaillant Group. However: this doesn't mean the process is complete. We will continue to improve the criteria.

#### → How can you be sure that the criteria are correctly understood and applied?

↔ We first presented the rules at the R&D day at the end of November 2016, which was attended by all our development engineers. Our colleagues were able to familiarise themselves with the rules at our stand and visualize the entire product life cycle. The topic has been met with great interest, despite it meaning even more work for the developers during the early stages as they have to consider not only technical specifications but also sustainability criteria. Besides this, we have developed not only an e-learning tool, which sets out the 6 Green Rules for the colleagues concerned, but also an internal standard comprising many details and calculation models.

## 6 Green Rules

The 6 Green Rules have been firmly integrated into the new product development process. They pool internal and external product requirements and are summarised in a 6 Green Rules Report. They provide a systematic approach to and a guideline for sustainability in product development. Some of these criteria are new while others are established practices.



### 1. Energy efficiency

We stand for sustainable and energy-efficient products, innovation, resource protection and low-emission technologies.

*Rule no. 1 includes, among other things, criteria for domestic hot water and heating efficiency, CO<sub>2</sub> emissions and noise levels.*



### 2. Durability

We guarantee durable and robust products thanks to the use of high-quality materials. Our diligence and precision reinforce our high quality standards.

*Rule no. 2 includes proven lifetime, extended warranty, high quality standards and a robust design.*



### 3. Responsibility

We act responsibly when selecting materials and suppliers and take an environmentally friendly approach to production and logistics.

*Rule no. 3 includes a carbon footprint of materials, resource-efficient packaging, adherence to the UN Global Compact in the supply chain and avoiding the use of hazardous substances.*



### 4. Service

We offer an excellent quality of service throughout the usage phase of our products. We guarantee that spare parts are widely available and our products are easily accessible for repairs.

*Rule no. 4 includes excellent reparability, easy maintenance, comprehensible documentation and a comprehensive waste disposal concept.*



### 5. Handling

We stand for intelligent and user-friendly products that are simple to install and handle.

*Rule no. 5 includes intuitive usability, upgradability, app control and energy monitoring for end customers as well as a short installation time and installation support for skilled technicians.*



### 6. End of life

We campaign for the protection of natural resources and the eco-friendly disposal of products. We aim to achieve a high level of recyclability and closed-loop material cycles.

*Rule no. 6 includes recycling-friendly design, proof of recyclability and appropriate appliance disposal.*

## The developers' perspective

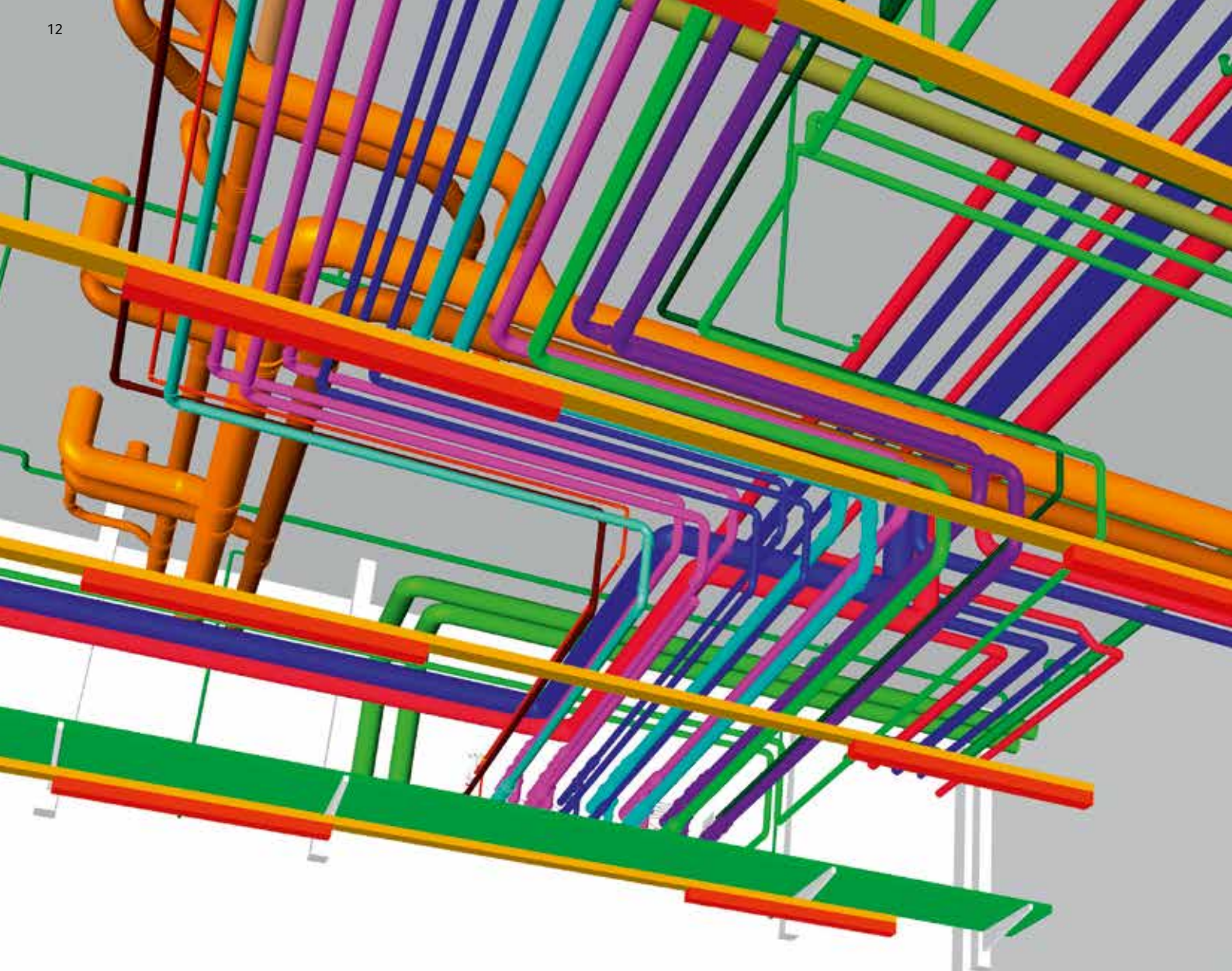
Jochen Paulus,  
sustainability representative  
for Development

As developers, we need tangible, measurable specifications. Simply put, we can do a lot more with the target "Increase recyclability to 90 per cent" than with the request "Be mindful of recyclability". And that was the intention behind the 6 Green Rules: to act as a binding framework that creates a common understanding of sustainable product development and incorporates tangible specifications.

The sustainability criteria increase the requirements placed on the product and product development. One material might be more sustainable than its predecessor; however it could also be more expensive, which would then conflict with cost targets. In practice, we can now reassess the overall balance with an eye to the sustainability requirements.

A large, stylized white number '6' is positioned in the lower right quadrant of the page. It is set against a background of a large, vibrant green tree that dominates the center of the image. The tree has a thick trunk and a full, rounded canopy. In the background, there are blue clouds, two white birds in flight, and a city skyline with various buildings. The overall color palette is dominated by greens and blues, with the white number providing a strong contrast.





RESEARCH AND DEVELOPMENT CENTRE

# A font of green ideas

The Vaillant Group is building a new research and development centre where the products of the future will be created. This brings with it some major changes for the employees – and for the environment.



A new build that is much greater than the sum of its parts. The symbolic foundation stone for the new research and development centre, which comprises two office buildings and a test centre, was laid in Remscheid in autumn 2016. The Vaillant Group is investing approximately 54 million euros in the construction of the R&D centre, where some 570 employees from all departments involved in the product creation process will be brought together under one roof. It will be a place for fresh, green ideas, with innovations primarily concerning environmentally friendly heat pumps, efficient gas-fired condensing technology, technically complex system solutions, intelligent control technology and digital services. The R&D centre will directly adjoin the head office and existing buildings, which have stood on the site for several decades. A bridge will connect new and old.

### **A sophisticated energy concept**

The test centre will house all 236 test stations, which are currently distributed among the various buildings that make up the complex. "This will allow us to use 100 per cent of the waste heat from the test rigs – which is enough to heat the entire building. The way in which the company premises had developed thus far had prevented this from being an option in the past," explains Swen Engelhaupt, Head of Market Quality & Certification. The test rigs are re-cooled in a closed cooling circuit, which will further reduce water consumption by a significant amount. The R&D centre's energy concept therefore meets the highest of standards and, of course, features build-

ing automation with integrated energy monitoring. Six electric car charging stations will also be added in front of the R&D centre and the infrastructure for a further 38 is being provided. There will also be charging stations for e-bikes.

"We can now also reorganise the use of the test rigs and offer them as a service. This not only makes the tests (and therefore also the development work) quicker and more efficient but also improves quality," says Engelhaupt. It will be possible to conduct tests using a three-shift system in future. In addition to simpler standard tests, engineers will also be able to commission extensive tests, for example for certification purposes or with an eye to specific properties. The test experts will then send them the data and their interpretation. Engineers are also able to lease a test rig and conduct their own tests and experiments. Areas for system tests involving photovoltaic components will be created on the roof of the office buildings so that each individual heating system can be simulated or tested. According to Engelhaupt, planning the test centre was a complex process. After all, the building houses a kilometre-long piping system with 13 different gas pipes that supply all of the gas types and mixtures used in the Vaillant Group sales countries for the product tests. Demanding safety chains form part of this supply system.

### **Virtual planning in the cave**

The project managers made use of the technical possibilities available to them to ensure there were no overlaps between pipes, static structural components and openings, i.e. no planning errors. They



viewed the building in RWTH Aachen University's virtual 3D visualisation chamber known as the cave. "This allowed us to see the building's interior despite it not yet being finished," says Robin Frohn, Director Group Real Estate Management and overall project manager.

### **Spaces to encourage creativity**

An atrium connects the test centre to the two office buildings. "We have consciously created areas where people will come into contact with each another in order to promote spontaneous communication. We want to encourage everyone involved in the product creation process to talk to one another," explains Robin Frohn. This is also reflected in the office buildings: every floor has numerous social areas such as coffee lounges for

casual conversation and of course plenty of meeting rooms in various sizes.

A working group from the Development department devised the workplace design in cooperation with the Fraunhofer Institute for Industrial Engineering (IAO). It goes without saying that all offices have good acoustics and plenty of natural light. The rooms can be used flexibly. After all, flexibility was a key criterion for the planners. "The structure of the building is extremely adaptable; we can change it as we see fit. Bring it to life!" emphasises Frohn. As a result, project teams can work together in one room – without the atmosphere of an open-plan office. Once a project is complete, the employees reorganise themselves in line with their next tasks. Every workstation has the same setup. Anyone looking to

focus on their work in peace and quiet or to hold a meeting with just a small group of people can head for the breakout spaces available in different designs: some inspire creativity while others create a sense of tranquillity.

### **Faster and more efficient**

The employees who move into the R&D centre will experience a new working environment and new working conditions. "The employees are in for some huge changes!" says Frohn. The R&D centre provides a single home for everyone involved in the product creation process. This promotes interaction and offers a pleasant working environment. It is the perfect setting to spark ideas for new, green products – more quickly and efficiently than ever before.





54 million euros of total investment

570 employees from all departments involved in the product creation process

1 test centre spanning 9,300 square metres with 236 test stations including 40 heat pump test rigs, 9 climatic chambers, 1 drop test laboratory, 1 wind test laboratory, 1 chamber for testing electromagnetic compatibility, 1 acoustic chamber and 1 fireplace for testing flue gas systems

2 office buildings with a total area of 14,500 square metres

2019, spring, is when the R&D centre is set to be complete



2016 marked our first year as “Germany’s most sustainable large company” after being honoured with the German Sustainability Award. Where do we go from here? **Dr Carsten Voigtländer**, Chief Executive Officer, and **Dr Jens Wichtermann**, Director Corporate Communications, Sustainability & Politics, discuss this all-important question.



# TOP-LEVEL TALK



Dr Voigtländer, Dr Wichtermann, a year ago we talked about all the things still to be done despite initial successes. What has happened since?

**Dr Voigtländer:** We had and still have a long way to go in terms of spreading and strengthening the sustainability message. Our 28 S.E.E.D.S. Ambassadors are essential here; they are passionate about the topic, they help put initiatives in motion, and they ensure that sustainability is always taken into account in their departments and countries.

**Dr Wichtermann:** The project has been ongoing since autumn 2016. We've received a huge amount of support from the departments and markets; most colleagues are really enthusiastic about sustainability. The Ambassadors have already got some ideas together: they've defined initial projects and identified weaknesses. It's our job to provide assistance and advice to the S.E.E.D.S. Ambassadors.

What do you expect to achieve with this format?

**Dr Wichtermann:** The Sustainability Management team has already achieved a lot working solely from the head office. But of course our capacities and, incidentally, our knowledge of processes and relationships are limited. The Ambassadors can draw on their knowledge of the respective departments and countries; they can turn sustainability into a matter of course.

**Dr Voigtländer:** The Ambassador model aims to help us achieve a goal we set ourselves last year.

We have to spread the sustainability message, to quasi democratise it and to underpin it even further in our company.

And the 28 Ambassadors will manage that?

**Dr Wichtermann:** They will certainly help. Expanding the sustainability programme to include other countries, our sales companies, is another key project. Croatia got the ball rolling here in 2015. A large and significant market followed in the form of Austria in 2016, which has come up with a highly ambitious and strategically designed sustainability programme based on S.E.E.D.S. Other markets are already in the starting blocks.

**Dr Voigtländer:** But it isn't just about increasing general awareness; we also want to expand this awareness, add meaning. Integrating the 6 Green Rules into the new product development process takes us to the next level. These green criteria ensure that a sustainable approach is taken from the very first brushstroke through to the end of the product life cycle. They make the developer's life much easier as they are included in the process in a very specific and comprehensible way, allowing them to become a natural part of the development process.

Are there any other steps on the way to "democratising" S.E.E.D.S.?

**Dr Wichtermann:** Yes! I'm envisaging a joint meeting between Environmental Management and the production specialists in Nantes. A pilot project has already

been carried out in the British plant in Belper which aimed at combining approaches from both these perspectives. The responsible members of staff took up direct contact with one another and arranged to spend a day together in Nantes. What this actually meant was that the colleagues from Production became more familiar with the concept of sustainability and, primarily, environmental matters. And vice versa, they showed the Environmental Management team their Value Walk method, which highlights opportunities for improvements to be made in production processes. This already exists at the Turkish plant in Bozüyük, where there is a big, joint Value Walk once a month.

**Dr Voigtländer:** This is a wonderful example of how commitment and communication can lead to success. Both sides are focused on different things but they share common goals, i.e. creating value, conserving resources and increasing occupational safety. This helps move us forward as a company.

Would you say these examples are also the biggest successes on the road to increased sustainability?

**Dr Voigtländer:** The greatest success has to be the fact that we were able to redefine our environmental targets – we set the bar even higher because some of the targets had already been met. By 2020, we want to increase energy efficiency not only – as originally planned – by 20 but by 25 per cent, and reduce water consumption not just by 20 but by 50 per cent. We are proud of our

“WE HAVE TAKEN A MASSIVE STEP FORWARD BY RESTRUCTURING THE PRODUCT CREATION PROCESSES.

Dr Carsten Voigtländer



achievements, but now have to work towards reaching these new goals.

**Dr Wichtermann:** Beyond the focus areas of Environment and Development & Products, we have also seen progress in our strategic partnership with “SOS Children’s Villages worldwide”. We now support the organisation not just with efficient heating technology but increasingly through social initiatives. With the #villantsmile campaign, for example, we have collected smiling selfies from around the world. A lot of sales companies, employees, customers and trade fair visitors have shown great commitment to the campaign, enabling us to support some really important projects at SOS Children’s Villages.

#### What is left to be done?

**Dr Voigtländer:** Plenty! We have, of course, already achieved a lot, but not enough for us to sit back and say we’re done. We have to keep optimising things. Take responsibility in the supply chain, for example. On the one hand,

we’ve managed to assign 100 per cent of our standard purchase volume to suppliers that acknowledge the principles laid out in the UN Global Compact. However, we have to take a closer look at what this acknowledgement really means. This is why we’re optimising our supplier selection and audit processes. We already spoke about this a year ago, which shows just how complicated and extensive the topic is. We have to and will keep at it.

**Dr Wichtermann:** There is still a lot of potential in the supply chain, as also highlighted in the supplier survey. The results show there’s room for improvement. But we also have to take a good look at ourselves and ask how fair we are with our partners. Besides this, I find the new German guidelines for company cars interesting. Anyone who opts for an environmentally friendly car is rewarded in the lease rate. We now also offer hybrid and electric cars. This again shows that whenever something is particularly painful or especially complex, or if there’s a particularly tedious task ahead, you simply have to take a deep breath and tackle it head on.

#### You don’t sound particularly satisfied, Dr Wichtermann...

**Dr Wichtermann:** I can’t imagine anyone responsible for sustainability ever being completely satisfied. (Laughs.) As a company, we can go even further than the already remarkable successes seen in recent years. We’re proud of what we’ve achieved in such a short space of time. We now find ourselves in a phase, however, where the successes are on the decline because we’ve already addressed the obvious things, the areas with a lot of potential; we’ve done

our homework here. At the same time, the Sustainability Management team is extremely hard at work making headway in other areas. We often have to battle with colleagues, including those in top management, when it comes to things such as the Green iQ products and their criteria. It’s not “only” about having products that are efficient and intelligent. They’re also particularly sustainable! The topic attracts so many different opinions, even within our own team.

**Dr Voigtländer:** These discussions really shape the division. There are difficult phases, just as there are in other areas of management. However, we have worked together to make some important changes in the background. By restructuring the product creation processes, from strategy to market launch, everyone involved has managed to incorporate the sustainability aspects. That’s a massive step forward. It’s just not all that visible. Not yet.

#### In 2016 you also announced a strategic focus on renewable energies, heat pumps and systems. Why? And how have things progressed here?

**Dr Voigtländer:** We’ve been seeing a distinct shift towards electrification for a considerable amount of time now. Decarbonisation, as agreed upon at the 2015 UN Climate Change Conference in Paris, is merely the official confirmation. Hence us expressing our strategy more clearly. We will place greater emphasis on renewable energies and heat pumps in future. We’re already making visible progress, especially in the heat pump market. Turnover in this segment has risen by as much as 30 per cent in the first half of 2017 compared with the previous year.



**Dr Wichtermann:** In terms of organisation, another pivotal step was setting up the in-house business unit “Heat Pumps and Renewable Energies”. Skills will be pooled here; everyone involved will work together across departments, thus creating synergies, shortening lines of communication, improving coordination and focusing expertise.

But your core business lies in gas. Are you currently in the process of completely restructuring the foundations of the company with this strategic focus on renewable energies and heat pumps?

**Dr Voigtländer:** It is, of course, quite a transformation. For me, there’s no getting around this focus. It’s our future. But we’re not talking about a revolution here, rather more a development that we’ve

been working on for many years that is now becoming more noticeable in many areas – including externally.

**Dr Wichtermann:** This is reflected not least in the new corporate vision, which has sustainability at its core. “Taking care of a better climate” makes it very clear what path the company has taken.

**Dr Voigtländer:** And this path is the right one. Now we have to continue along it with purpose and conviction. With the planned research and development centre, we are creating a place for our new green ideas to grow. We are investing enormously in our future here. This will, in turn, generally make our product development faster and more effective. We’re always taking the next step.



“WHENEVER SOMETHING IS PARTICULARLY PAINFUL OR WHENEVER THERE’S A PARTICULARLY TEDIOUS TASK AHEAD, YOU HAVE TO TAKE A DEEP BREATH AND TACKLE IT HEAD ON.”

# GREEN AND INTELLIGENT THE PICK OF THE BUNCH

**Epecially efficient, particularly sustainable and intelligent – this is what makes the Green iQ products so special. With the uniSTOR exclusive and auroSTOR exclusive hot-water storages, the Green iQ family has welcomed two new arrivals, with more to come in future.**

Italy placed a lot of trust in the Green iQ products in 2016. “We invested the largest proportion of our communications budget here,” reports Communications Manager Marco Basla from the Italian sales company – an investment that has paid off. “We’ve been able to strengthen the Vaillant brand’s position in Italy thanks to Green iQ: as first-class and efficient, user and environmentally friendly.” Almost a year after introducing Green iQ, he is extremely satisfied with the market launch.

Benoit Garrigues, Vaillant Brand Director France, shares a similar view of the Green iQ product roll-out in France: Green iQ bolsters Vaillant’s brand image. Vaillant introduced the Green iQ label to the general public as part of a roadshow that made its way through 20 towns and cities. “The core messages are easy to put across and we managed not only to reach many partners with the roadshow but also to attract the attention of many installation technicians that were not yet Vaillant partners.” This last point is especially significant as Vaillant is ultimately looking to expand and consolidate its network of partners in France. “All in all, the response was really positive.”

Marco Basla is looking forward to the latest additions to the Green iQ family; the uniSTOR exclusive and auroSTOR exclusive hot-water storages complement the range of products alongside the ecoTEC exclusive gas-fired condensing boiler and the flexoTHERM and flexoCOM-

PACT heat pumps. “The hot-water storages are perfect additions to the system segment. Once again, we can tell our customers that we have the best in the product category. The arguments in favour of the Green iQ products are solid,” says Basla.

Thanks to their insulation, the hot-water storages lose up to 50 per cent less heat. Furthermore, the products can be recycled to up to 82 per cent. They are extremely reliable and long-lasting, and even maintenance-free thanks to an integrated component which prevents corrosion. The auroSTOR exclusive generates heat using solar energy; the uniSTOR exclusive can be combined with up to two heat sources of any kind – gas-fired condensing boilers, heat pumps or solar systems.

Another argument seen to strike a chord in the Italian market is the user-friendliness and intelligence of the products: all the important information – e.g. charge status or water temperature – is easy to read from the clearly structured display or even from the user’s mobile phone via the app. Basla: “This fits perfectly with our message in Italy: ‘Comfort without compromise’.” The total of eleven models, with a capacity of between 300 and 500 litres, expand the Green iQ product line considerably.

And growth is not set to stop here; the next stage of expansion is already in the pipeline. “In future, we will discuss the







Green iQ products as part of the Strategy-to-Roadmap planning process. This will enable us to develop the Green iQ products systematically,” explains Claudia Altenrath, Head of Sustainability Management.

Responsible members of staff from Marketing, Product Management and Sustainability Management are already working on the Green iQ products of the future. “We are thinking about setting up additional business areas, a Green iQ service for example,” reveals Claudia Altenrath. Marco Basla is also hoping to welcome more additions to the Green iQ product family: he hopes to be able to offer his market more from the Green iQ range in the future. “It would be fantastic if we had a Green iQ product in every product segment three or four years from now.” The strategic planning undertaken as part of the product roadmap is an initial step, and a huge one for Claudia Altenrath: “It is, however, vital that the criteria are met. Green iQ represents the most efficient, most sustainable and most intelligent products available.”

Being able to describe and promote the Green iQ products continues to be an important task. In a study on recyclability, the independent testing institute *Öko-Institut* in Freiburg demonstrated that Green iQ products are highly recyclable. The recyclable proportion of the Green iQ ecoTEC exclusive was shown to be 84 per cent, while the Green iQ flexoTHERM exclusive achieved an impressive 93 per cent. By way of comparison, the *Öko-Institut* also analysed a fridge-freezer and a flat-screen TV according to the same standards, resulting in much lower recyclability at 76 and 61 per cent respectively. The study upholds the credibility of Green iQ. This is something that we absolutely have to maintain, as the Green iQ products are not sure-fire successes or devices for the mass market. “This is why we have to come together to promote Green iQ again and again, also internally, and explain what the label represents and why the criteria are so important – this means being prepared to fight for Green iQ and what it stands for,” says Altenrath.

61

per cent of  
an LCD TV can  
be recycled

93

per cent of a Green iQ  
heat pump can  
be recycled

## RECYCLING

Eighty-four per cent of a Green iQ ecoTEC exclusive is recyclable; resources that have already been used can therefore be fed back into the value cycle.

84%

RECYCLABILITY



# S.E.E.D.S., CONDENSED INTO A SINGLE DEVICE

Six years of the S.E.E.D.S. sustainability programme has changed the Vaillant Group and made it far more sustainable. But what does that really mean? How has it affected specific devices? We took the ecoTEC gas-fired condensing boiler as an example and analysed the reductions in electricity, gas, water and waste achieved since S.E.E.D.S. was launched. The ecoTEC has also become more sustainable in areas not covered by the figures.

## SERVICE

First-class operation can only be achieved with first-class service. The serviceDIALOG app enables skilled technicians to analyse, diagnose and configure systems on site. This reduces the time needed for service activities and means faults can often be resolved with just one visit. This is great for customers. The profiDIALOG application even enables the system to be monitored and set remotely, reducing the number of site visits. A win for customers and the environment alike.



## SUPPLY CHAIN

Sustainability begins in the supply chain. The Vaillant Group procures 100 per cent of its standard purchase volume from suppliers who acknowledge the Global Compact and its Ten Principles.



**-26%**

WASTE

**-17%**

ELECTRICITY

**-30%**

GAS

**-54%**

WATER

## PRODUCTION

Lower resource consumption and less waste: ecoTEC production changed for the better between 2011 and 2016<sup>1</sup>



**97%**

CO<sub>2</sub>

## USAGE PHASE

Ninety-seven per cent of the device's CO<sub>2</sub> emissions are created during use.<sup>2</sup> It is important that the device can be configured easily and intuitively so that it can be optimally operated, i.e. as efficiently and with as few CO<sub>2</sub> emissions as possible. We help our customers do this, for example, through the multiMATIC and eRELAX apps, which allow them to conveniently control their heating from the comfort of their sofa.

<sup>1</sup> Calculated for a wall-hung ecoTEC plus VC 196 gas-fired condensing boiler (2011), production minutes recorded in 2011, consumption data for the surveyed years 2011 vs. 2016

<sup>2</sup> ecoTEC plus VC 196 gas-fired condensing boiler, operated in Germany



## SUPPLIER SURVEY

# Our partners' perspective

The Vaillant Group has conducted a survey of its key suppliers to discover just how sustainable they believe the company is. It wants to incorporate the results into its future strategies and join forces with the suppliers to become more sustainable.

**W**hy conduct a supplier survey? For Claudia Altenrath, Head of Sustainability Management, the answer is both simple and obvious: "Our suppliers play an important role in what we do. We have identified room for improvement in our supply chain and want to find out more about the suppliers. We can and want to improve in this area. Ideally, by working together." Professor Christian Baumgarth from the Berlin School of Economics and Law designed and conducted the study in cooperation with Marketing Consult Dr. Wecker. In November 2016, 142 suppliers were invited to complete the online survey, with more than half (56 per cent) accepting the invitation.

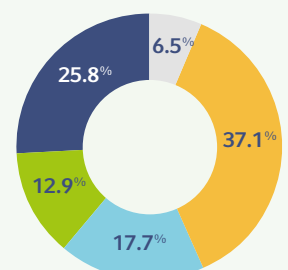
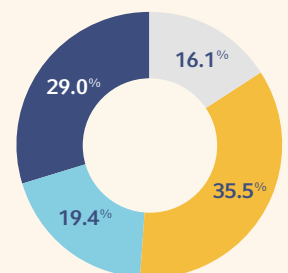
Some of the companies that completed the survey are extremely large and boast a high turnover: about a quarter have over 5,000 employees and 13 per cent have at least 1,000. Around 20 per cent have a turnover of between 100 and 500 million euros and about a quarter have a turnover of over 500 million euros. Most of them are from the heating or automotive industry.

The survey covers three areas: the suppliers' own sustainability, the suppliers' view of sustainability at the Vaillant Group and topics that look at improving sustainability aspects by way of collaboration. Responses in the first area quick-

ly made it clear that sustainability is extremely important to the suppliers who took part in the survey, with 98.9 per cent responding that their company was committed to sustainability and 92.2 per cent stating that sustainability forms part of their strategic orientation.

This is an important finding and commonality. Furthermore, over 80 per cent of the companies stated that they would be willing to work with the Vaillant Group on sustainability matters and develop sustainable products or purchasing policies. "What we want to do first of all is discuss the topic of recyclability with select partners. We believe there is great potential for improvement here," says Purchasing Director Martin Jungbluth.

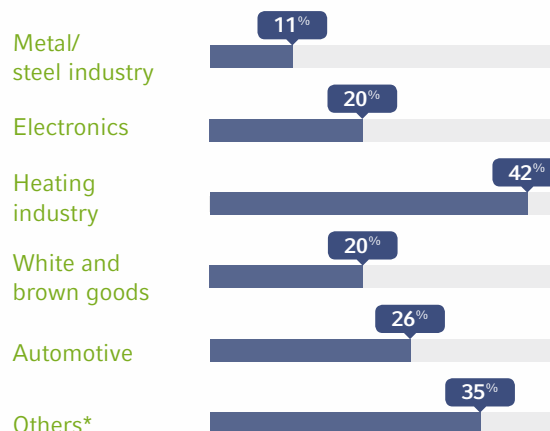
Another factor highlighted in the survey is the importance of social sustainability among our partners. More than a third of those surveyed are aware of the Vaillant Group's partnership with "SOS Children's Villages worldwide" and regard it as highly credible. At the same time, however, they believe that social commitment is one of the three areas that the Vaillant Group should be investing more time in. Besides this, the companies surveyed would like to see sustainable supplier management processes and the fair treatment of business partners. All in all, we have received the mandate and means to make improvements.





## Sectors

in which the surveyed suppliers are active  
(multiple answers possible)

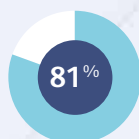


\* Consultancy/advertising agencies, telecommunications/IT, etc.

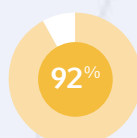
Suppliers are primarily looking for stable, transparent and fair relationships in the supply chain.

## Annual turnover of the surveyed suppliers

- < 10 million euros
- 10–100 million euros
- 101–500 million euros
- > 500 million euros



of the suppliers would be open to a cooperation with the Vaillant Group to develop sustainable products.



of the suppliers feature sustainability as part of their company strategy.

## Number of staff

employed by the surveyed suppliers

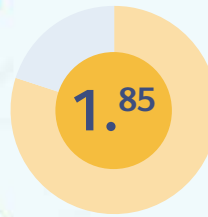
- < 50
- 51–500
- 501–1,000
- 1,001–5,000
- > 5,000



of the suppliers are concerned with the topic of sustainability.







## How sustainable is the Vaillant Group?

The surveyed suppliers view the company as being very sustainable.

The Vaillant Group's performance in the area of sustainability is excellent.



On a scale of 1 to 5, the highest score being 1.



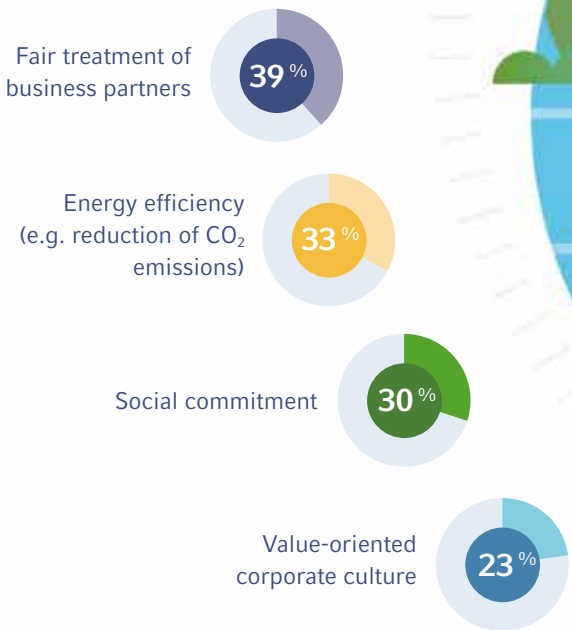
Compared with other customers, the Vaillant Group has a leading role when it comes to sustainability.



**SOS CHILDREN'S  
VILLAGES**  
WORLDWIDE

# Which areas do we need to strengthen further?

The suppliers see the greatest potential in the following fields.



## How well-known and credible are our activities?

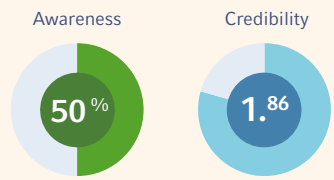
Our suppliers' perspective on selected projects.

Credibility rated on a scale of 1 to 5, the highest score being 1.



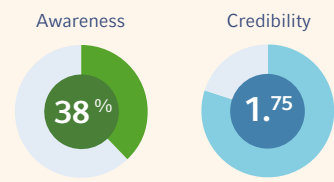
### Green iQ

The most sustainable and intelligent range of heating technology products



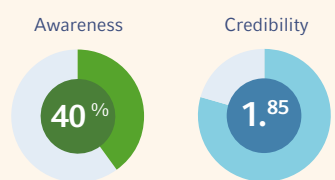
### SOS Children's Villages

Our worldwide cooperation with the children's aid organisation



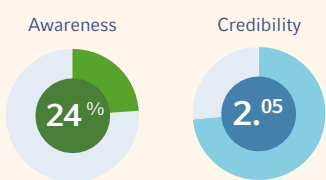
### S.E.E.D.S.

The Vaillant Group's strategic sustainability programme



### Sustainability report

Inspirational stories and transparent facts on the topic of sustainability





# Green Austria



In summer 2016, the Austrian sales company decided to roll out S.E.E.D.S. across the company: an ambitious project with breadth and depth in an important, major market.

It was the Green IQ study published by the Vaillant Group in 2016 that spurred us on,” explains Marketing Director Bernhard Leiding-er, who is also overseeing the S.E.E.D.S. project in Austria. “The study highlighted, once again, the fact that Austrians have developed a fairly eco-conscious lifestyle in recent years.” The market is ready for more sustainability. Bernhard Leiding-er would argue that it is even demanding it. “We’re seeing other technology companies achieving success with a sustainable setup. Nowadays, Austrians take a more conscious approach to buying products and services that support an environmentally friendly lifestyle than they did in the past.”

Austria is also very much focused on renewable energies and voted to phase out nuclear power in a referendum as early as 1978. At the same time, Leiding-er believes there’s scope for improvement. A number of problems remain, e.g. regarding CO<sub>2</sub> emissions: if we draw comparisons with 1990, Austria had

not yet seen any noticeable reduction by 2015 – meaning it’s a long way from achieving the 2020 climate target of –20 per cent. “There’s a huge discrepancy between what people want to

achieve through their lifestyle changes and what has been achieved on the part of industry. It was therefore of utmost importance to us that we deliver on our promises and visibly do our bit towards reaching the climate targets.” This is what led the management to opt for a strong strategic approach.

## Tailor-made and perfectly fitting

Everything kicked off with a comprehensive evaluation carried out together with the Vaillant Group Sustainability Management team, which summarised what sustainable projects, processes and infrastructures were already in place. “The results were surprisingly positive,” remarks Leiding-er. The Sustainability Management team is helping the sales companies introduce their own S.E.E.D.S.-based sustainability strategy and is work-



## S.E.E.D.S.



ing on a modular system that will assist here. This can be used by the sales companies to put together their own local strategies that meet their needs and fit their market. Other countries are already in the starting blocks.

### An ambitious vision

The Sustainability Management team and the Austrian Management team have been fine-tuning their own strategy in a joint workshop together with an agency. Leidinger: “First and foremost, we wanted to know whether the broad S.E.E.D.S. sustainability approach would work for us. Of course, the Group’s S.E.E.D.S. programme focuses on product development and production – areas that don’t affect us as a sales company.”

Vaillant Austria has expressed the outcome in its vision: “By 2022, Vaillant Austria will be recognised as an industry leader in the field of economic, ecological and social responsibility. In

particular, we will make a verifiable contribution to the heating revolution in Austria. We will focus on four strategic projects within the context of the Vaillant Group’s S.E.E.D.S. sustainability strategy: increasing the share of sales linked to high efficiency products, reducing our own CO<sub>2</sub> emissions and those that can be attributed to us, qualifying and deploying Vaillant employees as energy advisers and earning the title of most attractive employer in the industry.”

Responsible members of staff have already been designated for the four strategic projects and the management style has also been established – a deliberate top-down approach. “We are convinced that these projects will only be successful with and through the dedication of the management. At the same time, it’s important to get the employees on board and involved. This is why we conducted an anonymous staff survey on the topic of sustainability at the start of 2017,” explains Bernhard Leidinger. The results were extremely positive. A clear majority of em-

A clear majority of employees in  
Austria is prepared to take a personal  
stand for more sustainability at Vaillant –  
out of conviction.

employees is prepared to take a personal stand for more sustainability at Vaillant – out of conviction. A strong start. Especially considering the fact that all of the S.E.E.D.S. focus areas – Development & Products, Environment, Employees and Society – depend on the ideas and dedication of the employees. Specific targets have been assigned to the S.E.E.D.S. focus areas and integrated into the annual target agreements for top management and all senior staff.

With regard to Products, the employee and partner training courses on high-efficiency technologies and products based on renewable energies are to be further expanded. Everything we're doing is geared towards achieving one overriding goal: to increase the sales share of high-efficiency technologies and products based on renewable energies within our portfolio to 86.5 per cent by the end of the year.

In addition to this, Vaillant Austria wants its customer service employees to also qualify as energy and domestic heating advisers, making them points of contact for any queries on the topic. "However, we have to take a systematic approach here by introducing a training course. This is what we're currently working on; we're developing an advisory spectrum and putting together a training concept," says Bernhard Leidingner.

CO<sub>2</sub> emissions are set to be reduced in the Environment focus area – through less paper consumption, consistent waste separation and recycling as well as eco-friendly logistics. Initial successes have already been seen here. In 2016, paper consumption was down by 350,000 sheets compared with the previous year. How? "We reduced the number of printers – by over half," explains Thomas Hanke from Marketing. Employees now have to physically go to the printer instead of having their printouts immediately to hand. Hanke said the colleagues weren't sure about the idea at first, but they've been impressed with the results and are proud of their achievement. Payslips are now provided electronically, internal forms are available as electronic copies and more and more invoices are being sent to partners digitally: as many as 25 per cent of invoices were switched to digital format in 2016, a figure that is expected to rise to 35 per cent in 2017. Vaillant Austria also received a certificate from the Austrian postal service for its climate-friendly deliveries in 2016. We are currently working on optimising the returns process.

The measures will impact on many areas, e.g. on procuring work equipment for customer service technicians. "When it comes to purchasing, we make sure that tools have digital interfaces so that work stages and results can automatically be transferred to the employee's laptop. Data transfer saves an awful lot of paper," explains Alexander Kaufmann, Head of Customer

Service. Everyday office life is also changing: electronic instead of paper notepads, digital presentation areas instead of flip charts, ceramic rather than paper cups and cooled still or sparkling drinking water from the tap rather than a flood of plastic bottles.

A new healthcare management programme, fresh fruit every week, following up on specific findings of the Great Place to Work survey and a summer camp for managers are all steps on the way to the company becoming the most attractive employer in the industry. "The management has discussed whether or not the S.E.E.D.S. focus area Employees really should be adopted as part of the Austrian sustainability programme," says Leidingner. "Earning the title of most attractive employer is an extremely complex matter; why this would be needed for a sustainability programme is not clear to begin with." In the end, however, a decision was made in its favour. Why? "Our sustainable setup is to play a central role in making us more attractive as an employer."

Finally, in terms of Society, Vaillant Austria is focusing on the partnership with "SOS Children's Villages worldwide". This stands to reason – the idea behind SOS Children's Villages came from Hermann Gmeiner in Austria in 1949. This partnership naturally includes equipping the organisation with highly efficient heating technology and renewable energies alongside social initiatives such as the #vaillantasmile campaign. Vaillant Austria was also involved in the poster campaign "You be the sponsor and I'll be the technician". With this statement, SOS Children's Villages and Vaillant wanted to get more people involved as sponsors and help finance children's education. The Vaillant Austria training team also supports the SOS Children's Villages "Energy detectives" training programme, which teaches teenagers how to use resources sparingly.

All this is just the beginning

Vaillant Austria has plenty of ideas up its sleeve and has already got several of them off the ground. However, the sustainability programme is still in the early stages. "We're going to hold internal workshops to increase awareness among all our employees and also to help us further reflect and take a critical look at ourselves. Where can we make improvements? Where are we not meeting our own sustainability expectations? Where are we not credible and transparent?" explains Leidingner. The sales company is not yet ready to broadcast these changes externally, to partners, clients or the general public. First we need to do our homework. At the end of the day, Vaillant Austria wants to do its bit towards achieving the climate targets. To make a significant contribution to a green Austria.



# DU WIRST PATE UND ICH WERDE INSTALLATEURIN

[WWW.SOS-KINDERDORF.AT](http://WWW.SOS-KINDERDORF.AT)



**SOS  
KINDERDORF**

Das SOS-Bildungsprogramm  
wird unterstützt von:



**Vaillant**

ASK THE EXPERT

# THE MOST EXCITING TOPIC IN THE WORLD



Professor Stefan Schaltegger is all about sustainability. He has held the title of Professor for Sustainability Management at Leuphana University Lüneburg since 1999. We interviewed the expert on the challenges a company faces following its initial successes.





Stefan Schaltegger has a unique take on things – on the buildings he passes as he strolls across the campus of the Leuphana University Lüneburg, for instance, characterised by the red brick architecture typical of northern Germany. The strict arrangement of neatly lined rows reflects the military character of the former barracks from the Nazi era. Between them is a biotope, on the edge of which a new main building stands: bold and innovative, unmistakable and future-oriented – like the university itself. “A fabulous contrast!” says Schaltegger enthusiastically. Designed by renowned architect Daniel Libeskind, the building not only provides great visual appeal in contrast to the uniformity of the former barracks; it also has plenty going on inside – something which is particularly important to Schaltegger. “The main building is an energy-plus house: it generates more energy than it consumes.” It is sustainable – and Schaltegger loves sustainability. He has been Professor for Sustainability Management in Lüneburg for 18 years and also heads up the Centre for Sustainability Management (CSM).

**Professor Schaltegger, last year the Vaillant Group Director for Sustainability said that the “low-hanging fruits” had been harvested. Is that a well-known phenomenon in the field of corporate sustainability management?**

Yes, most definitely. It’s a perfectly standard management process – and not just within the scope of sustainability management. You start by making the investments that bring about a high return and implementing measures that offer visible results quickly. The obvious things will tend to come up in discussions. You can tackle them and see success almost immediately. This motivates the workforce. Many companies start with their housekeeping: they look at their waste, water and energy management as well as simple social topics such as setting up a crèche. They then start to introduce individual sustainable products to their range and turn their attention to the supply chain. This is when things get a little trickier.

**What should companies do during this phase?**

This is when things have to start being consolidated. These are difficult times

because the major successes have been and gone, but it's still important that we anchor achievements. There's a risk at this stage of people thinking there's no point in pursuing sustainability further. They might give up completely. The consolidation phase, however, should be used to underpin and institutionalise what has already been achieved and to prepare for what's to come. Simply put: how long do we still need conventional heating systems? A great deal of progress has already been made in the construction industry. Even existing buildings can be converted into high-on passive houses. To anticipate and be fully on board with radical change, or even to help shape it, you have to be familiar with all the ins and outs of sustainability issues.

#### Even the smallest step can be difficult...

The frustration of things not working out is quite simply part of management – and is especially felt in sustainability management. It is perfectly normal for things not to work immediately. Sustainability is such a complex topic; solutions are not simply laid out in front of us. They cannot just be picked up and used. Solutions don't usually work right from the outset, or at least not perfectly. You have to optimise them, test other versions and be ready to take action. It might be the case that heat pumps aren't selling so well in Eastern Europe right now, however the situation might be completely different in five years' time. What matters is that you have the heat pumps in your portfolio, you have established pilot projects, and you can show people how it's done.



Stefan Schaltegger looks out from the sixth floor of the campus' main building and points out the solar panels on the roofs of the university buildings. He explains how a comprehensive plan was drawn up to use solar power but declined by the responsible ministry as the resources were to be used for research and teaching purposes only. "We weren't allowed to build the systems. Conflicting goals!" he tells us. "We asked the university's sustainability officer to readdress the solar project every six months." The new main building brought with it the awaited opportunity as the university needed a new energy concept for the entire campus. "A window of opportunity opened up. Despite the plan previously being rejected, the framework conditions had now changed and we were able to appoint an energy contractor to install the solar panels." Schaltegger is serious about what he teaches.

For Schaltegger, the goal is to bring together corporate activity and sustainability and prove that they are not mutually exclusive. When he first started to focus on sustainability management in the late 1980s, he was an economics student and competitive athlete; he even made it into the Swiss national team as a middle and long-distance runner. "You spend a lot of time outdoors and have plenty of time to reflect. In the Basel region where I lived at the time, there was heavy summer smog. When you start coughing up blood after a hard training session because the ozone levels are so high that they attack your respiratory system, you start to think about things." This was further compounded by environmental scandals and disasters caused by companies' irresponsible behaviour. Schaltegger soon became captivated by the question of how companies can incorporate sustainability matters into their policies in an economically viable manner that creates jobs but neither damages the environment nor causes social problems. "At the time, I told myself that people needed a different, more intelligent approach." Instead of finding a job in an environment agency, he remained true to science.





Schaltegger knows the Vaillant Group from the Sustainability Leadership Forum (SLF), which was initiated by the German Association of Environmental Management (B.A.U.M.) and the Centre for Sustainability Management. Vaillant is one of the companies involved in the working and discussion group for pioneers of sustainable corporate development. Schaltegger attended the kick-off event for the S.E.E.D.S. Ambassadors in November 2016. The 28 Sustainability Ambassadors spent a day together gaining a better understanding of S.E.E.D.S., getting to know one another and familiarising themselves with their mission as Ambassadors. Professor Schaltegger discussed sustainability at the time with Dr Carsten Voigtländer, Chief Executive Officer, and Dr Jens Wichter- mann, Director Corporate Communications, Sustainability & Politics.

**You were a guest at the kick-off event for the S.E.E.D.S. Ambassadors. What do you think of this approach?**

It's a great idea and I got the impression that everyone was excited about it. You can't make a company more sustainable on the merits of the sustainability department alone. The entire organisation has to get involved. You need to have allies in every organisational unit who are passionate about and committed to sustainability. The management has to motivate and support these Ambassadors and supply them with information so they know they are playing an important part in the bigger picture and are not alone. This is important for the company as a whole too – communication is essential.

**The Vaillant Group Sustainability Management team talks about the "democratisation of sustainability". What are the challenges in this regard?**

Ultimately it's about empowering people; giving them the necessary knowledge but also making them feel they are trusted and able to represent the topic and drive it forward. Employees often show a commitment to sustainability in their personal lives but don't replicate this in the workplace as they believe it conflicts with their work and the company targets. After all, work is all about generating profit. This situation can be countered by making it clear that dealing with sustainability and being forward-thinking and progressive in this regard are what the company wants to see and also contribute to its success.





### But conflicts still arise between profit maximisation and sustainability...

Yes, of course. You have to be aware of these conflicts, or trade-offs as we call them. However, it's not about constantly emphasising them and then failing because of them. You can deal with trade-offs by proceeding sequentially, for example. This means that you tackle one aspect right away but leave others aside for the time being, e.g. because the costs would be too high otherwise. However, there will come a time when everything simply slots into place. You have to identify potential topics and find solutions, even if they cannot yet be realised. They could be put into practice at a later stage with different framework conditions, whether as a result of regulatory changes, new technologies, shifts in the market or fresh ideas.



### The Vaillant Group's national sales companies have been called upon to adapt the S.E.E.D.S. sustainability programme. How much flexibility is actually possible in implementing the sustainability strategy?

The concept of sustainability is interpreted in many different ways in Europe alone. In continental Europe, for example, strong emphasis is placed on making the core business sustainable. In Northern Europe, on the other hand, people are heavily focused on ecological aspects. A company is embedded in society and has to cater to all sorts of different groups. However, the fact that child labour has been classed as normal in Bangladesh for thousands of years does not mean that it should just be accepted as part of the culture there. Sustainability does not just mean adapting to existing cultures.

### Of course, "democratisation" also refers to as many people as possible showing a commitment to sustainability. How can this be achieved?

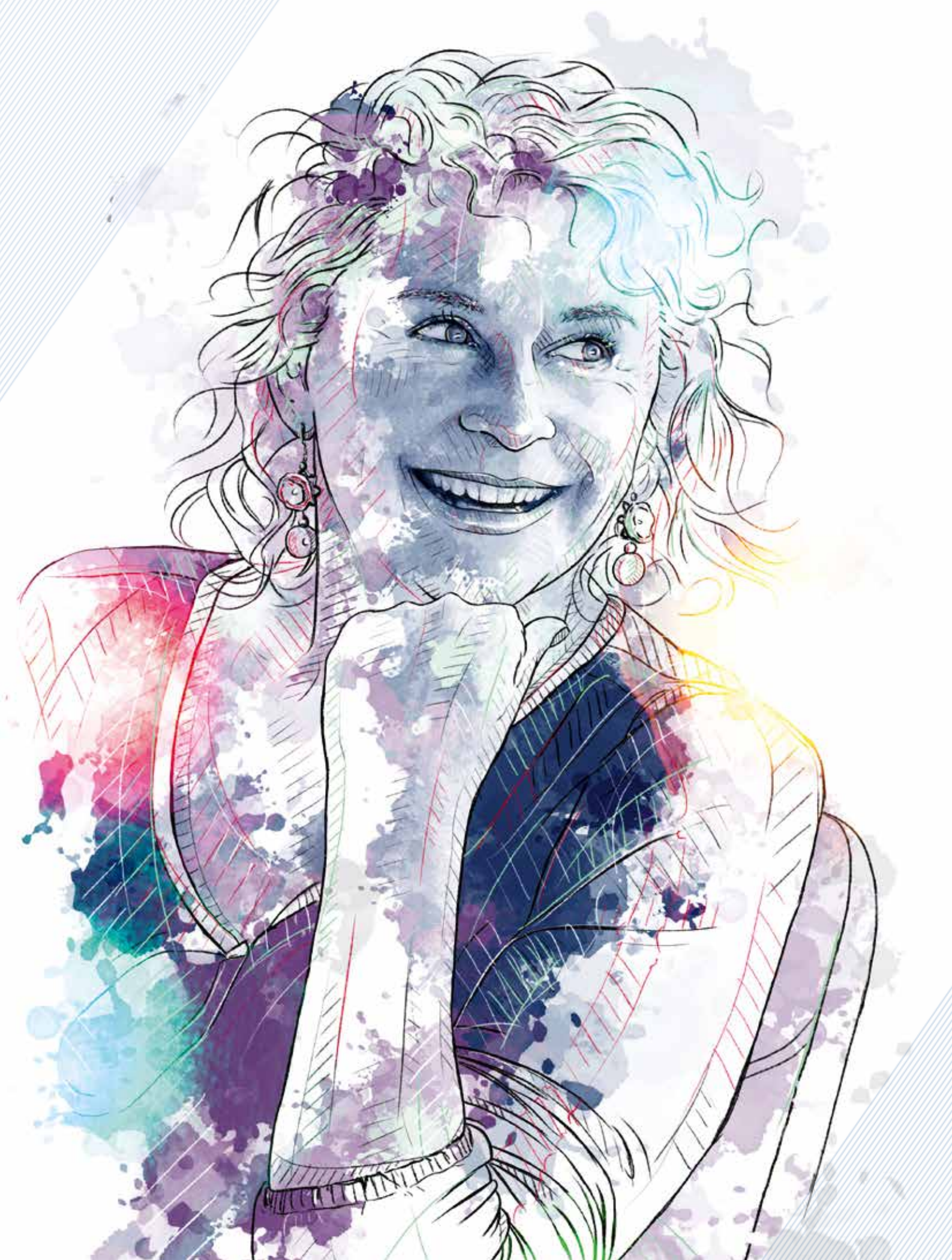
This is a key challenge. It's important to show that sustainability management is also a form of material management. Energy management and intelligent heating are very factual matters, for example with regard to intelligent technology, intelligent organisation and intelligent design. These are intrinsically exciting challenges. How can you bring together and inspire as many people as possible? I think, on the one hand, you have to repeatedly bring about and celebrate successes. On the other hand, it is also important to link sustainability with a person's skills, interests and work.

### Is recruitment a tool for disseminating this mindset throughout the company?

Recruitment can of course be used as a tool here if you are purposefully seeking out individuals to become key high-potential employees in relation to focal points. Such people look for employers that have an excellent reputation and treat their staff fairly. Sustainability is also related to fairness; fairness is part of sustainability. It is motivating to work for a company that helps society and has a clear sense of responsibility.

As Stefan Schaltegger explains, the Faculty of Sustainability, the only one of its kind in Europe, trains sustainability experts either through full-time courses or in the form of the extra-occupational MBA in Sustainability Management. 40 to 50 graduates successfully achieve their goals each year. These differ from the goals set by graduates of conventional management courses, who are especially focused on their careers and salaries. Sustainability management students are far more concerned about doing meaningful work. This is a matter of course for Stefan Schaltegger. After all: "You have to agree that sustainability is the most exciting topic in the world, right?"







# The Ambassadors

The idea is simple: S.E.E.D.S. Ambassadors promote sustainability in their area. They have the know-how, are on top of all the latest developments and always work with sustainability in mind.

The S.E.E.D.S. Ambassadors help integrate the notion of sustainability in their areas and countries, calling for sustainability aspects to be considered whenever important decisions are made. The Sustainability Management department supports the Ambassadors in their work, helping them implement their ideas besides driving discussions and knowledge-sharing. 28 S.E.E.D.S. Ambassadors have stepped up to the role since November 2016.

## Marjon Sanders

HR Manager  
Amsterdam / 51 years old

→ **Ms Sanders, why did you decide to become a S.E.E.D.S. Ambassador – alongside your regular role? Why is sustainability so important to you?**

← For me, Human Resources goes hand in hand with sustainability. The retirement age starts at 68 in the Netherlands and is set to rise even further. This means that sustainability in the focal area of Employees is already a key topic for me as HR manager, also in terms of recruitment.

→ **Speaking as S.E.E.D.S. Ambassador, where do you see the major challenges?**

← I represent a region comprising the Netherlands, Belgium, Russia, the Scan-

dinavian countries and our Export region. The major challenge we face here is pooling the individual measures and defining joint goals for the long and short term. Everyone I work with in the mentioned countries is truly committed to this project. Communicating and generating awareness of the topic is key. The S.E.E.D.S. programme is a great aid here as it makes the buzzword "sustainability" tangible, allowing us to fill it with content.

→ **What do you specifically intend to tackle?**

← We first held video conferences where we discussed what is already in place in the individual countries and areas – and we were surprised by the amount already being done: LED lights, solar panels, recycling. These are things we already have, although not everywhere and not to the same degree. We discovered that we as employees weren't aware that these things fall under the category of sustainability. It helps to talk about "what is sustainability"; exchanging opinions on best-practice examples is inspiring for all those involved. The Scandinavian countries have an especially sustainable lifestyle, for instance. But there are also suggestions coming from Russia, for example concerning the commitment to SOS Children's Villages. We have already implemented simple things such as turning off the coffee machines overnight. This might sound trivial, but it saves energy. We've also defined a number of other goals. For example, we'd like to introduce half a day of voluntary work for our col-

leagues, organise charity sports tournaments and do more for SOS Children's Villages. Social engagement is high up on our list of priorities. First of all, however, we want to concentrate on getting easy and intelligent projects under way as this will help us spark our colleagues' interest and motivate them.

→ **What changes can you bring about based on your role?**

← It goes without saying that I have a good handle on sustainability topics as well as the support of my boss, the regional director, and the country managers. I am, however, absolutely convinced that the role of S.E.E.D.S. Ambassador doesn't necessarily depend on a person's normal position. It's mainly about communication – speaking about sustainability issues and raising awareness. This is something everyone can do in his or her remit. Everyone who aspires towards a more sustainable approach is a Sustainability Ambassador by nature.

→ **How would you rate the Vaillant Group in terms of sustainability?**

← I think the Vaillant Group has a pretty good setup in this regard, especially when it comes to our products, but I would like to see us make an even greater contribution towards social initiatives. We're on the right path in the area of Employees. But there is always more that can be done, we're not short on ideas. The Ambassadors are a good way of getting the Group strategy out into the different countries. Then we can be even better. And it goes without saying that S.E.E.D.S. is a great initiative.



# Gökhan Felek

Group Advanced Purchasing Engineer  
Remscheid / 35 years old

## → Mr Felek, why did you decide to become a S.E.E.D.S. Ambassador – alongside your regular role? Why is sustainability so important to you?

← I think it's a good topic – and an important one. I believe we have to be much more sustainable as a society if we're going to leave the future generations with a world worth living in. At the moment things are still working well for us in Europe. In China's megacities, however, air pollution has quite literally clouded the view. This spurs me on to do my bit; I think I can really make a difference as a S.E.E.D.S. Ambassador.

## → Speaking as S.E.E.D.S. Ambassador, where do you see the major challenges?

← The main challenge is getting people, colleagues, on board and making them aware of sustainability issues – and doing this alongside the regular work. The question of cost will certainly also prove challenging.

## → What do you specifically intend to tackle?

← There are of course aspects of Purchasing we can improve on: for instance by optimising packaging concepts to save resources and costs. The same applies to the logistics chains. Sustainability is a topic which affects Purchasing, but also other departments such as Supply Chain Management. Sustainability in Purchasing is a tricky topic.

## → What changes can you bring about based on your role?

← When you're dealing with such large projects, you do of course need all the departments involved to be on the same side, alongside the necessary resources in terms of staff and budget. I can provide motivation here. In fact, I view my role quite literally as that of an Ambassador – of a messenger and multiplier. I can

refer back to S.E.E.D.S. time and again, raise awareness of sustainability and provide encouragement.

## → How would you rate the Vaillant Group in terms of sustainability?

← I think the Vaillant Group is really sustainable. This is clear from the products, their efficiency and their durability. As is the case with many family companies, our company is also run in a sustainable manner. That's really important to me as an employee, for example. With S.E.E.D.S., the company has created an extremely extensive sustainability programme. But of course not everything is green, just look at the canteen in Remscheid, where plastic packaging is used for take-out food. The paper coffee cups are not the best example of sustainability either.





## Xiaocui “Camille” Huang

Marketing Specialist  
Beijing / 29 years old



→ **Ms Huang, why did you decide to become a S.E.E.D.S. Ambassador – alongside your regular role? Why is sustainability so important to you?**

← I see it as a fantastic challenge that allows me to gain a great deal of valuable experience. It also overlaps somewhat with areas I already work in: organising numerous events, supporting social engagement with the SOS Children's Villages, and most recently working on the #vaillantsmile campaign. In the Marketing department it's also important that we can describe the eco-friendliness of our products – this all links in to sustainability. So why not become a S.E.E.D.S. Ambassador and do even more?

→ **Speaking as S.E.E.D.S. Ambassador, where do you see the major challenges?**

← The market and the general legal situation in China are worlds apart from those in Europe. Here in China, a lot of emphasis continues to be placed on costs and not yet so much on efficiency. My role is therefore, first and foremost, to raise awareness of sustainability as an overall concept and in all its facets – also internally among colleagues.

→ **What do you specifically intend to tackle?**

← The first project was #vaillantsmile, which saw us collecting smiles from colleagues, customers and trade fair visitors. Anyone who took part was given a very special reward – the company made a donation on their behalf to specific projects linked to SOS Children's Villages, an initiative we support as partner the world over. Another thing I'd like to pick

up on is the idea behind the S.E.E.D.S. week, which I learned about during the Ambassadors' kick-off meeting: a different campaign every day for a week, such as cycling to work or making a conscious effort to reduce paper consumption. My personal priority is to raise awareness of sustainability and S.E.E.D.S. among colleagues and to emphasise the fact that there's a lot more to it than clean, energy-efficient products.

→ **What changes can you bring about based on your role?**

← I think there are a few things I can do. I have two huge advantages from the outset: on the one hand, my regular role already touches on the topic of sustainability, such as energy-efficient appliances and the company's social commitment. On the other hand, I grew up in Hong

Kong, where the culture is quite different. Environmental protection was already a topic in kindergarten and at school. This has stayed with me. That's why I firmly believe that I can bring about change in my role as Sustainability Ambassador.

→ **How would you rate the Vaillant Group in terms of sustainability?**

← I would say that the Vaillant Group is fairly sustainable. This is largely due to the products – we are currently working on introducing Green iQ products in China. We are also working hard to create a good, sustainable corporate culture in China in terms of employee interaction. However, there is still a lot we can improve in our everyday lives besides keeping processes green and simple.





## Katharina Hunds

Replacement Parts Engineering Storage  
and Ventilation  
Remscheid / 32 years old

→ **Ms Hunds, why did you decide to become a S.E.E.D.S. Ambassador – alongside your regular role? Why is sustainability so important to you?**

← I have to hold my hands up here and admit that I wasn't exactly proactive, but I was more than happy to take on the role when I was asked. The reason is simple: I think it's an important topic. If we're really going to get the sustainability message across within our organisation, we first have to create a broad basis that extends into each individual department. Only then can it really be effective. Sustainability is important to me not only because we want to leave our children with a world worth living in, but also because of the S.E.E.D.S. focus areas Society and

Employees. As an employer, Vaillant has to make itself more appealing to the younger generation.

→ **Speaking as S.E.E.D.S. Ambassador, where do you see the major challenges?**

← The greatest challenge is rousing colleagues' interest in the topic. This might sound banal, but it really is the first step: explaining what it is we're doing, imparting knowledge, increasing awareness. With its focus areas and clearly defined goals, the S.E.E.D.S. programme is really useful here. As are the cups that the Ambassadors received at the kick-off: striking green cups made from bamboo that read "S.E.E.D.S. Ambassador". A lot of people have already commented on my one when I've gone to get coffee. It provides the perfect springboard for talking about S.E.E.D.S. and my role, and it tells my colleagues that I'm their go-to person on the topic.

→ **What do you specifically intend to tackle?**

← We – two colleagues from Service and

I – already had an initial brainstorming session before getting together with the Sustainability Management team to go over our ideas. 14 themes were identified in total, such as the field service's vehicle fleet and safety training for field staff. We evaluated the ideas together with the Sustainability Management team based on various criteria such as effectiveness and cost and came up with a list of priorities which we will present to the Divisional Manager. He will hopefully add some of the measures to his agenda.

→ **What changes can you bring about based on your role?**

← I can give prompts and encouragement but at the end of the day we can only assess the situation once the measures have been implemented. And, of course, I can't make any budgeting decisions or free up capacities. Another thing to consider is the structure of the division, which is of course made up of Spare Parts and Service. I'm certainly no expert in service matters, which is why it was so valuable to sit and work with the colleagues from the Service department. After speaking to the Divisional Manager and the S.E.E.D.S. team, an additional Ambassador has actually now been appointed from Service.

→ **How would you rate the Vaillant Group in terms of sustainability?**

← Vaillant is treating the topic as a top priority and has set clearly defined targets. I would therefore say that we're definitely up there, but we could be even better. There's certainly still room for improvement in the areas Society and Employees. A few changes have been made in recent years in the focus area Employees, for example the childcare centre here in Remscheid. This was under discussion for what seemed like forever, and for a long time nothing happened – until S.E.E.D.S. was rolled out. However: this is just a drop in the ocean. Right now, supply is not meeting demand. And what about the other sites?



# Bernhard Leidinger

Marketing Director Vaillant Austria  
Vienna / 48 years old

## →Mr Leidinger, why did you decide to become a S.E.E.D.S. Ambassador – alongside your regular role? Why is sustainability so important to you?

←When it comes to the topic of sustainability we have to do more than just talk about it; we have to create precedents. Before I came to Vaillant at the start of 2016, I saw the video of Vaillant Group CEO Dr Voigtländer receiving the German Sustainability Award, where he's enthusiastically brandishing the Vaillant hare on stage. I remember thinking to myself: "He's genuinely thrilled. They mean business. They really want to make a difference." It was impressive and certainly helped me in my decision to move to Vaillant. I believe that such a large company has to assume responsibility within society. Having said that, we were extremely sceptical of how the multifunctional role of Marketing Director, person responsible for S.E.E.D.S. and also S.E.E.D.S. Ambassador for Austria would pan out when I first started. There is a danger of initiatives and efforts being dismissed as one big marketing campaign.

## →Speaking as S.E.E.D.S. Ambassador, where do you see the major challenges?

←One of the greatest challenges is having to repeatedly and believably convey the fact that this isn't just a marketing gag; we genuinely do want to embed a sustainable mindset within the company. On top of this, we have to convince everyone else to join us in donning their sustainability caps alongside, or even as part of, their everyday work. We have to encourage them to find the time to do this;

show them what a difference it can make. We have to prove that sustainability, S.E.E.D.S., isn't just a random project that's going to land in some drawer further down the line but that it's a strategic plan that will make us fit for the future. Moreover, S.E.E.D.S. is extremely comprehensive, as seen in its four focus areas.

## →What do you specifically intend to tackle?

←We conducted a staff survey to find out what the term "sustainability" means to our colleagues – a term that gets bandied around so much it has become rather commonplace and meaningless. Our aim here is to create a common understanding of the concept. The results were very positive. Overall, employees really want to do their bit and get involved. We've drawn up a programme comprising four projects and put together teams made up of employees from across the entire company. Good communication is of the essence. I also see this as one of the main tasks of the Ambassadors, who have to clearly explain the reasons behind their actions. I communicate in many different directions here, not only with our employees but also with the management of the sales company and of the Group – to make sure everybody's on board with the projects.

## →What changes can you bring about based on your role?

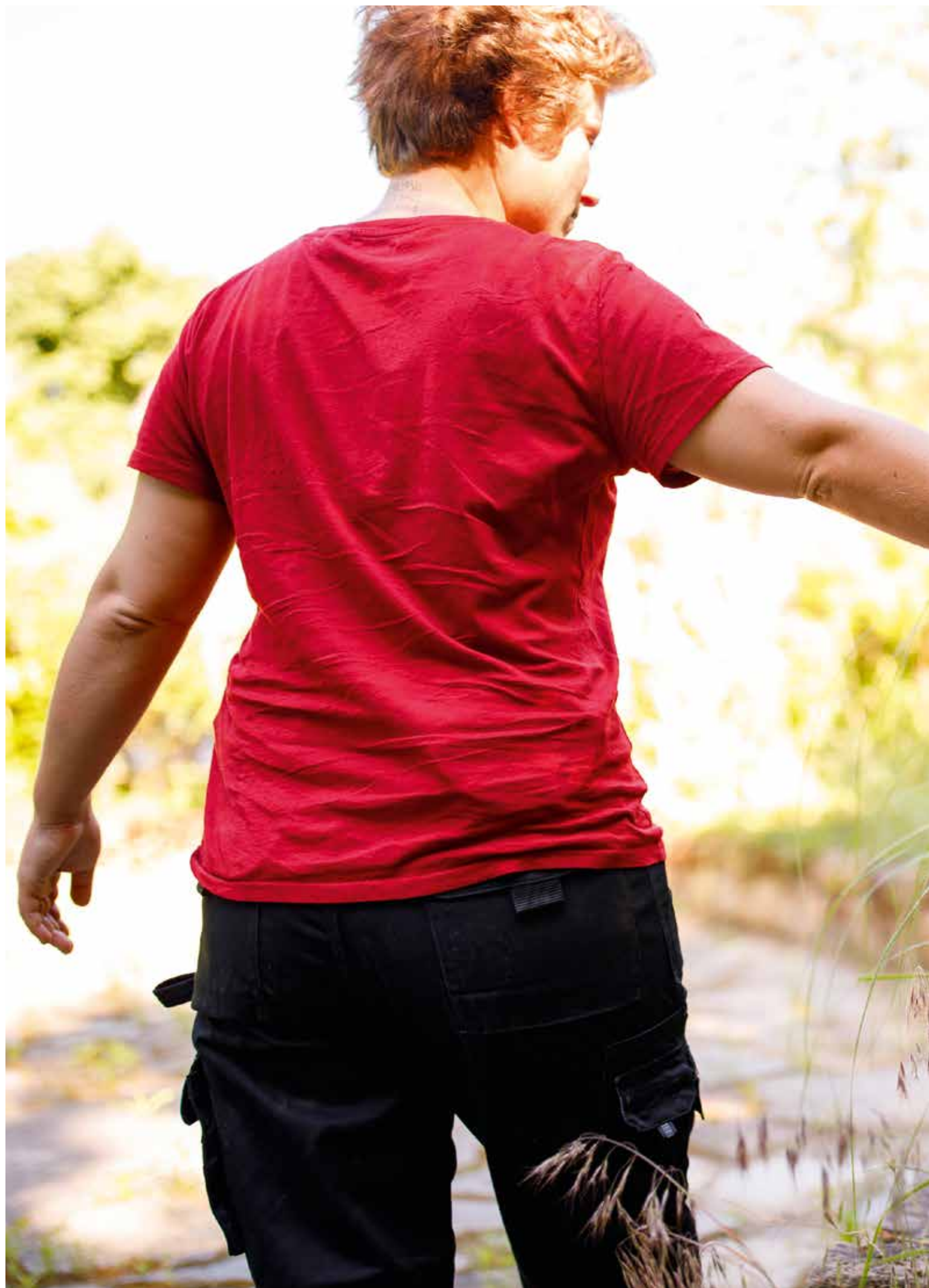
←Where to start! I hope to effect a lot of changes; my role as Marketing Director is certainly beneficial here. We've made the conscious decision to strategically coordinate the project from management level and there's a lot going on there. S.E.E.D.S. is one of our top six priorities this year. The fact that the project has been given the official seal of approval from the entire management team does of course make it easier to effect change.

## →How would you rate the Vaillant Group in terms of sustainability?

←I think we're pioneers in the industry as we're approaching the topic very impartially and with great transparency. It's not just about adding a splash of green here and there. Our strength lies in energy-efficient products and their development, and also the environment; we're on the right track in terms of the S.E.E.D.S. field Society, even if there's still a lot more we could do here. The same goes for Employees – an extremely broad area. It isn't always fully clear from the off how some of the measures relate to a sustainability programme. We have to make precise distinctions here. Overall, we still have our work cut out with S.E.E.D.S.; the sustainability message is not yet ingrained in our day-to-day corporate culture. But we're definitely on the right track.











SOS CHILDREN'S VILLAGES

# Finding the right path

Paulina, Laura and Gassan are all trainees at the SOS Children's Village Berlin. For them and 45 other young people, this is a chance to learn a profession and stand on their own two feet; a chance they would have likely not had otherwise. It is for this very reason that SOS Children's Villages Germany is committed to providing training and qualifications.



*"I like working outdoors  
in the fresh air. You have  
a physical workout, burn  
off energy and even  
get a tan."*

Paulina

Training to be a gardener in the fields of  
gardening, landscaping and creating sports  
facilities at the SOS Children's Village Berlin





A pile of heavy stones sits in wait. 22-year-old Paulina from Berlin knows exactly what to do with them: lay edgings and pave patios and paths, for example. She is training to be a gardener in the fields of gardening, landscaping and creating sports facilities. There are also a number of three-metre-high trees. Their root balls are not yet surrounded by much soil, hence the transport bag. “They’re for the exam,” explains Paulina. “At the end of the practical exam, we have to plant each of them with two stakes and then secure them with raffia.”

The final practical exam Paulina is referring to will take place in September. She will have four hours to show what she has learned during her training at the SOS Children’s Village Berlin. She’s already passed the theory exam, but the practical one had to wait. Not because Paulina was not ready for the planting, patio building, plant identification, presentation and all the other tasks that await her, but for a reason beyond her control. Cancer. The chemotherapy and radiation treatment forced her to take a year out. Her body is still weak after overcoming the illness and going through the tough therapy, but you wouldn’t know it to look at her: she brims with energy and a zest for life.

### More than just expertise

Her mind and will are strong. She wants to complete the qualification even if she is unlikely to have a career in this area. “Paulina is very strong-willed and determined. Her stubbornness, which would often make life difficult for her in the past, has now become a strength, making her more resolute and persevering,” says Patricia Schmihing. The social worker coordinates the gardening and landscaping site run by the SOS Children’s Village Berlin and has been supporting Paulina for over four years now. Paulina looks somewhat sceptical as she thinks about

the comment. “Yes, I guess you could see it that way.”

The training at the SOS Children’s Village provides more than just expertise. The young people are supported not only by the trainers but also social workers and teachers. “We assist them wherever they need help,” says Schmihing. “For example with individual tutoring and, often, by simply talking things over.” The three professionals responsible for the trainees – teacher, trainer and social worker – work closely together. Communication channels are short. The young people often instigate conversations themselves – individually and also in group sessions.

In addition to gardeners and landscapers, the organisation’s Gatow site, which spans five hectares in the west of Berlin by the River Havel, also trains garden

construction workers in the fields of gardening and landscaping. “It’s a kind of rehabilitation training. The amount of theory work is consciously minimised, making it ideal for adolescents and young adults who are more practically-minded or have learning disabilities or concentration problems.”

### Long-term, reliable prospects

Patricia Schmihing knows all 25 of the trainees on the gardening and landscaping course and is familiar with their difficulties. She has been a social worker for the organisation since 2002. The conditions change depending on the labour market policies applicable at the time. “There is only a small pot of public funding available at the moment to train young people; the situation was different ten years ago. I’m pleased that SOS Children’s Villages has continued its commitment to provide training and qualifications despite this – and that it is able to do so thanks to its good name and supporters. This enables us to employ our staff on a long-term basis. Young people need to be able to depend on others. This is made difficult if teachers, social workers and trainers are constantly changing.”

She knows there are many young people who fail to make the transition to the world of work, who need help. There are various reasons for this: learning difficulties, concentration problems, family problems, illness. “Most of the young people come to us through the employment agencies and youth welfare offices in Berlin,” says Schmihing. Our cooperation often begins by preparing for a career. Paulina initially completed an internship in gardening and landscaping before trying her hand at several other things. In the end, she decided to complete her training at the SOS Children’s Village. “I like working outdoors in the fresh air. You have a physical workout, burn off energy and even get a tan,” says Paulina, laughing. “It’s also great to see what you’ve achieved at the end of each day,” explains the 22-year-old.



*“Young people need to be able to depend on others. This is made difficult if teachers, social workers and trainers are constantly changing.”*

**Patricia Schmihing**

Coordinates the gardening and landscaping site run by the SOS Children’s Village Berlin



The training has changed her. “I treat people with much more respect now. I’ve grown up a lot and I’m more punctual.” It took a lot of effort to reach this stage. “I had bad phases too,” admits Paulina. “Most people do, especially in the second year of training,” says Schmihing with a smile. “We then talk a lot and work together to resolve the problems.” Paulina has almost succeeded in doing this. Others are still battling their way through. Punctuality is something that many people find particularly difficult; having a daily routine where they get up early, eat breakfast and are ready to start work on time. As pointed out by the social worker, this is something they often don’t see at home. Not all young people can muster up the discipline and then stick at things even when the going gets tough. “We also lose some people along the way,” says Schmihing. “We certainly don’t give up on them easily, but sometimes there’s no choice but to go our separate ways whether we want to or not.”

For Paulina, the decision to do her training at the SOS Children’s Village Berlin was the right one. “It opens up an oppor-

tunity for people who’ve had a tough start, who didn’t pay proper attention at school, fell behind or aren’t academically gifted.” She does not yet know what lies ahead after she qualifies. “We’re discussing this at the moment.” Her illness is preventing her from currently following her dream of joining the police.

Gardening and landscaping is just one area in which the SOS Children’s Village Berlin is committed to providing training and qualifications. It also offers training in office management and catering roles. This has formed part of the work of the SOS Children’s Villages Germany since 1996. SOS Children’s Villages Germany opened its first urban Children’s Village in Berlin’s Moabit district in 2005. The range of services on offer is as diverse as life in the city: educational guidance and family counselling, family education, a family meeting area, a nursery and a multi-generation house. The SOS Children’s Village Berlin also offers school-related services, youth advisors, parental projects and, of course, career guidance and preparation as well as vocational training. In 2015, the organisations SOS Children’s

Village Berlin-Moabit and SOS Vocational Training Centre Berlin came together under a single name: SOS Children’s Village Berlin.

### An embassy in the heart of the capital

In May 2017, the SOS Children’s Village Berlin moved into its newly built home at Lehrter Straße 66, the Embassy for Children. It’s a short walk from the central railway station and is around the corner from the powerhouse that is the chancellery, the parliament buildings and the Reichstag. But the new building is still in the Moabit district, an area that has its fair share of problems. “We are remaining true to this district as it is in particularly urgent need of the services offered by the SOS Children’s Village,” explains Nicole Bethke, who is responsible for public relations work and projects. “We also felt that the area offers good prospects for our new Hotel Rossi, a socially inclusive enterprise. As a 100 per cent subsidiary of SOS Children’s Villages Germany, Hotel Rossi gives people with disabilities work and recognition. And, of





*"I'm becoming more self-assured. I feel good here."*

**Gassan**

Training to be an office management professional at the SOS Children's Village Berlin

*"We want to be seen and heard in the Embassy for Children; we want to speak up for children's rights."*

**Nicole Bethke**

Responsible for public relations work and projects at the SOS Children's Village Berlin



course, we want to be seen and heard; we want to speak up for children's rights." However, the Embassy for Children also provides young people with training and education, focussing on five vocational professions from the catering industry and well as recognised office management qualifications.

The administration team and the office management trainees were the first people to make the move in May 2017. The catering trainees followed a month later. Laura and Gassan helped with the relocation. They are both in their first year of training as office management professionals. Gassan is currently considering how the children and young people can attach their wishes to the symbolic SOS Children's Village tree at the official opening ceremony. An unusual task. "It's a lot of fun," he tells us enthusiastically. He feels valued here.

The 20-year-old has a long orientation phase behind him; he has completed internships in the retail trade, a hospital and a museum. "I wanted a cross between office and social work," he says.

The careers advice service at the employment agency eventually advised him to apply for the office traineeship at the SOS Children's Village Berlin. And this time it was exactly what he was looking for. "I'm not exactly the best of students. The support I get in the extra tutorials is extremely useful," Gassan reports. He has now had some positive experiences and achieved initial successes, giving him new-found confidence. "I'm becoming more self-assured. In the past I tended to be a bit lazy. I feel good here."

### Open to all questions

18-year-old Laura laughs, thinking back to something that happened during training, and says: "Making coffee!" Laura explains: "You really can ask anything you want here. For example, how to make coffee. Outside, you'd feel silly asking that kind of question. However, we asked how to make coffee during the group session – and then practised together the very next session." In the group sessions with the social worker, the trainees talk about their hopes and concerns; they learn how to deal with their issues and

*"You really can ask  
anything you want here.  
For example, how to  
make coffee..."*

Laura

Training to be an office management  
professional at the SOS Children's  
Village Berlin







work on their weaknesses – even if this is simply learning how to use the many different coffee machines. There's a lot more to this trainee cliché than meets the eye: if they are unsure about something, they lose all their self-confidence. They do not dare ask technical questions, feel trapped and do not show what they have already learned.

### Helping people stand on their own two feet

For Laura, the support she receives as part of the SOS training is extremely important. She is often ill, sometimes for long periods. "A company in the free economy would not have the patience to deal with all the time she has to take off," explains her trainer Jochen Plagens. "Not only are we patient, we can also help her catch up on what she's missed at the vocational school. She's clever; she attended grammar school. She'll complete her training, but she needs patience and support. That's where we come in." Plagens is a passionate trainer who has been supporting trainees at the SOS Children's Village Berlin for 18 years.

After qualifying as an assistant tax accountant, Plagens continued his education to become a trainer. "I wanted to work in a role that promoted vocational training. Trainees in the free economy are usually so well prepared that they don't need additional help. I wanted to really work with the trainees and support them. That's what we're here for." During his time in the role, he has supported some 130 young people. At SOS Children's Villages, the young people's work really pays off: everything the trainees do is actually used in the accounting and HR management departments as well as in correspondence. Plagens is well aware that this is not the case with many other trainers. They often only work in training firms.

Gassan has grown as a person during the first three-quarters of a year of his training. He believes in himself. "I'll admit that I feel a bit proud when I tell people I'm training to be an office management professional at SOS Children's Villages. We're prepared well for the professional

world here." His aim is clear: to stand on his own two feet. The training provides him with the right foundations here.

Vaillant also helps to build these foundations. The Vaillant Group and "SOS Children's Villages worldwide" have worked in a strategic partnership since 2013. As a result, the family-owned company supplies Children's Villages all around the globe with highly efficient heating technology. Over time, however, Vaillant is supporting more and more social initiatives involving children and young people. The international #vaillant smile campaign was launched last year with the aim of collecting the biggest smile in the world. Vaillant makes a donation to selected aid projects for every smiling selfie. For example, a 15,000 euro donation was raised to go towards training and qualifications at the SOS Children's Village Berlin – to offer opportunities to people who might otherwise never get them.



*"Laura will complete her training, but she needs patience and support. That's where we come in."*

**Jochen Plagens**  
Trainer at the SOS Children's  
Village Berlin







GREEN TEAM

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# Endangered treasures

The Amazon rainforest is the largest continuous tract of rainforest in the world, home to a unique variety of plant and animal life. It's seen as the lung of the planet – and it's under threat. Representing Vaillant, Friedhelm Weidemann took on the Jungle Marathon in the "green hell" of Santarém to raise awareness of the devastating consequences of climate change.



# GREEN TEAM

127 kilometres, 40 degrees, 99 per cent humidity. Set in the Brazilian Amazon rainforest, the Jungle Marathon is viewed as one of the toughest races on the planet. Running through water, below a practically impenetrable forest canopy, surrounded by an unfamiliar world of flora and fauna: Friedhelm Weidemann took up the challenge on behalf of Vaillant and crossed the “green hell” of Santarém. Before the race began, the runners were briefed on its dangers by a specialist from the Brazilian military. “He told us what we could and couldn’t touch, and which animals we should be cautious of. Pretty much everything is poisonous,” says Weidemann, laughing.

Friedhelm Weidemann already had a great deal of respect for his surroundings before the race. “You have to ignore any potential danger that the animals might pose. Once, I had to run through really deep water for an hour: you can’t see anything, you just have to battle on.” Added to this is the fact that the runners are carrying all of their gear on their backs. Friedhelm Weidemann had chosen the second of three race options: 127 kilometres over four days. As always, he was well prepared with the best equipment – which he had already put through its paces in the Vaillant Group’s climatic chamber in Remscheid, paying special attention to ensuring it was waterproof. He could also draw on his experience of around 300 marathons and ultras on six continents – through Death Valley with temperatures of over 50 degrees and across the Antarctic at –20 degrees, where he ran for Vaillant for the first time to raise awareness of climate protection.

## Under extreme conditions

“But it was the jungle that really pushed me to my limits,” he says. On the second day, the 57-year-old lost consciousness and lay helpless in the rainforest. When he came round, he managed to drag himself back to the last checkpoint, where he received medical care and was forced to take a day’s rest. “It was the humidity







/ /

*When you're in the jungle running through knee-deep water for over an hour, you can't see anything; you just have to battle on.*







that did it; it was almost 100 per cent. The conditions are extreme. I had to admit to myself: man, the jungle is not your forte!" After his compulsory time out, Weidemann ran on, topping the marathon leader board despite the break. He noticed that his body had actually adjusted to the extreme conditions.

Friedhelm Weidemann has run across many extraordinary, breathtaking landscapes in the past: deserts and polar deserts, mountains and savannahs. "I admire nature; its diversity, its uniqueness and also its vulnerability." When he ran across the Antarctic for Vaillant back in 2014, he was extremely aware of just how endangered this landscape is. "If we fail to achieve the two-degree target, one day the Antarctic will simply be gone," he remarks. He found the jungle in the Brazilian Amazon basin particularly impressive. The biodiversity and extreme conditions there are one of a kind. "At the same time, the threat faced by nature is already clear on the long journey to get to the start line, where clearings have been made for settlements and cities, for agriculture and industry. And where there are people, there is waste, piles and piles of plastic waste. There's an extreme lack of awareness, on both a large and small scale." Raising awareness: this is also what Friedhelm Weidemann wants to achieve with his races for Vaillant.

### **On all seven continents**

Running and travelling are his passions. Originally from Lower Saxony, Weidemann travelled a lot with his job after completing his training with the Federal Border Police: to Paris, Istanbul, Lisbon, Damascus, Amman, Naples and Tripoli. He didn't start running until he was 26 years old, when he was put up to the challenge by a doctor. He hasn't stopped running since. The Amazon Jungle run was Friedhelm Weidemann's pass into the Seven Continents Club. He has now successfully completed a race of at least marathon length on all seven continents – Africa, Antarctica, Asia, Europe, Oceania, North and last but not least South America. An exclusive club currently boasting 418 men and 189 women. The

next runs have long since been in the pipeline. Also for Vaillant.

### **The Vaillant Green Team**

Friedhelm Weidemann and Vaillant want to work together to raise awareness of climate protection; of places worth protecting because they are particularly affected by climate change. At the end of the day, creating an energy revolution is not just a matter of politics. As a leading heating technology manufacturer, Vaillant sees itself as part of the solution to global climate issues, which is why it launched the Vaillant Green Team campaign. This features Vaillant employees and campaigners who raise awareness of places threatened by climate change. Last year, three Vaillant employees from France – Awena Béliard, Grace Séguret and Soizic Deveau – took part in the Raid Amazones on behalf of the Vaillant Green Team: a unique, women-only sports event that pushes participants to their physical and emotional limits. In 2016, the event was held in the US – more specifically, in parts of southern California where the consequences of climate change are particularly prevalent. With this campaign, the Vaillant Group hopes to convince potential employees of its vision and encourage them to apply to the company.

The Green Team brings the Vaillant Group principles to life: green, friendly and committed. As a manufacturer of resource-efficient technology, Vaillant feels a special sense of commitment towards climate protection and environmental preservation: "Through our work, we are all advocating for the success of the heating revolution, for resources to be saved and the environment to be preserved," explains Corinna Wnuck, who oversees the campaign in her role as communications manager. "Several colleagues also do this in their spare time. We want to support these colleagues through the Green Team campaign and work with them to raise awareness of places that are under threat from climate change." At the end of the day, there's one thing that spurs us all on: "Taking care of a better climate." And Friedhelm Weidemann is already a whole world ahead.



# RESPONSIBILITY AS A PRINCIPLE

The Vaillant Group has combined all its sustainability activities into one strategic programme. Under the name S.E.E.D.S., binding, quantifiable targets have been set in the following fields of focus: Environment, Employees, Development & Products and Society. We develop specific measures based on these targets and continuously monitor the results. Transparently and Group-wide.

**F**or an industrial company that develops environmentally friendly, highly efficient heating technologies, addressing the complex subject of sustainability seems a logical step. Our customers, in particular, have clear-cut expectations regarding the energy and resource efficiency of our devices. However, the guiding principle of sustainability means more than just marketing particularly energy-efficient products. It dictates that the strategic and operational decisions taken by a company must always consider factors related to sustainability. As such, the basic question must always be asked as to what direct and indirect effects a decision will have on people and the environment – now and in the future.

## Sustainability programme

S.E.E.D.S., which stands for **S**ustainability in **E**nvironment, **E**mployees, **D**evelopment & **S**ociety, identifies the strategic areas of focus that the family-owned company is pursuing to make its vision of sustainability a reality. These fields are defined based on a broad understanding of sustainability that addresses the main challenges in our core business. In this regard, the Vaillant Group's Sustainability Management department makes an important contribution to ensuring the company's success in the long term. The department forms part of Corporate Communications, Sustainability Management & Politics and reports directly to the CEO of the Vaillant Group. The team sets sustainability targets

in close consultation with the Management Board and the individual operational units, systematically monitors their progress and provides impetus for improving company-wide sustainability performance. In addition, the Group-wide environmental management system is also controlled centrally from here.

## Global Compact

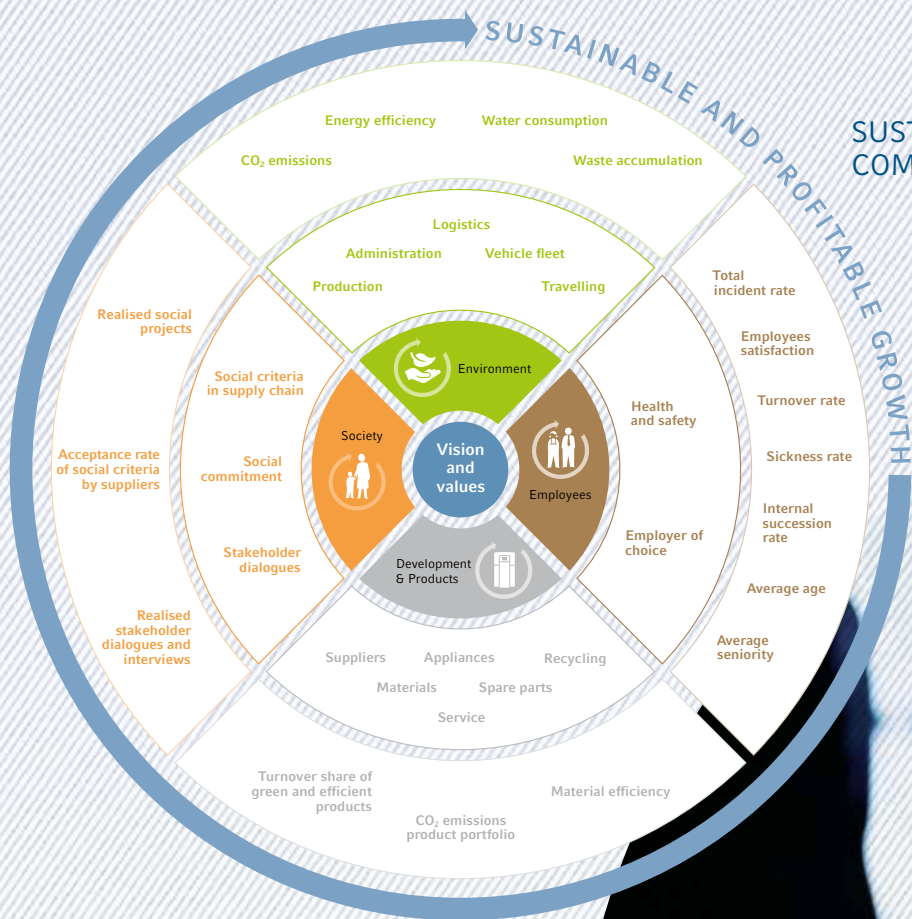
"As a family-owned company, we understand how important it is to commit to sustainable business practices. For this reason, we would like to take this opportunity to once again declare our commitment to the Ten Principles of the United Nations Global Compact. Every year, we use this sustainability report and detailed documentation that we publish online to report on the progress that has been made in implementing these principles into everyday practices along the entire value chain."

*The Vaillant Group Management Board*





## SUSTAINABILITY COMPASS



### SUSTAINABILITY BOARD

Management, Sustainability Management, Representatives of the top management levels

Strategic decisions

### SUSTAINABILITY MANAGEMENT

Sustainability strategy, initiation and management of activities, success measurement

#### SUSTAINABILITY FORUMS

Environment forum, health and safety at work forum, regional forums

Exchanges on best practices and standards

#### CORPORATE UNITS

Purchasing, Development, Production, Logistics, Sales, Service, etc.

Operational implementation and professional stimuli

### SUSTAINABILITY BODIES

### S.E.E.D.S. PROGRAMME

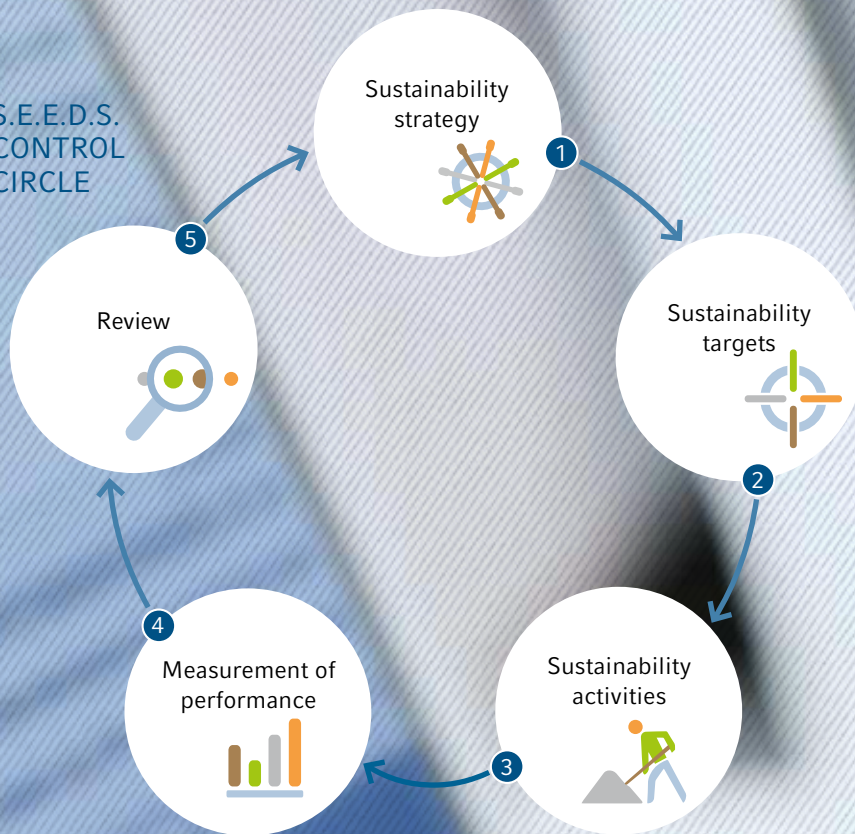


STRATEGIC  
SUSTAINABILITY PROGRAMME

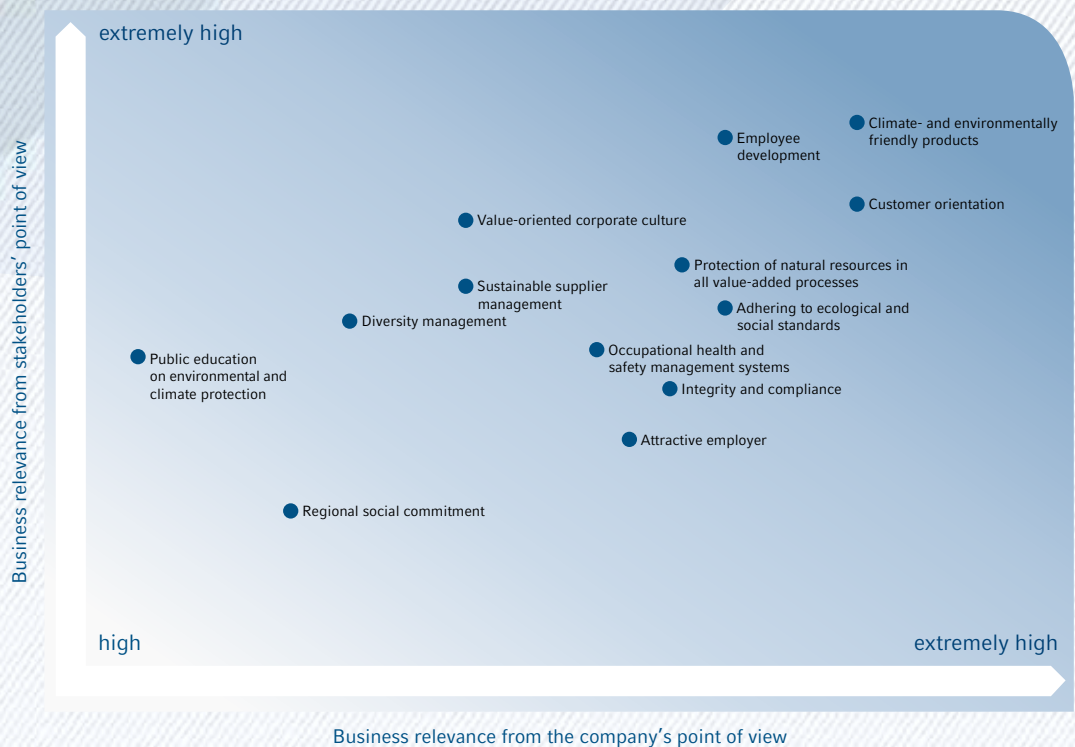
Sustainability in  
Environment  
Employees  
Development & Products  
Society



## S.E.E.D.S. CONTROL CIRCLE



## MATERIALITY MATRIX





# METHOD IN OUR SUCCESS

Making an international high-tech company like the Vaillant Group more and more sustainable is an ambitious task. That is why we drew up challenging sustainability targets that we aim to achieve by 2020 – targets that require us to make a real effort. We have put in place a targeted process based on key figures in order to manage our performance.

## Management approach

We manage our sustainability performance using an established approach: the classic control circle applied to corporate management systems. On the basis of the sustainability strategy ①, binding and verifiable targets ② are set for all four fields of focus in the S.E.E.D.S. programme. For example, reducing CO<sub>2</sub> emissions by 25 per cent in the field of Environment. In order to meet these targets we then implement operational measures ③ in all relevant areas of the company. In order to test how effective these measures are, key performance indicators (KPIs) and a target figure ④ are established for all targets. Every quarter, we survey all relevant data on a Group-wide basis to calculate the individual KPIs. These are brought together in a central control tool, the Vaillant Group Sustainability Scorecard. When interpreting the figures, we take into account specific factors such as changes to production capacities, current production volumes and production minutes. By comparing figures from the same period in the previous year against the long-term targets during the annual review ⑤, we are able to gain an accurate picture of the current state of our sustainability performance. During last year's review, it became clear that we have almost reached one of our environmental targets and have already exceeded another. As a result, we are now setting ourselves even more ambitious targets with regard to energy and water consumption.

## Materiality Matrix

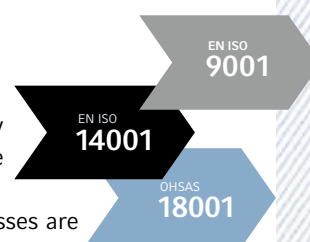
There are few business-related topics that affect more areas than sustainability does. This means that we do not only need a clear strategy whose success is measured against binding targets. We must also be clear about which areas of activity are particularly important – from the point of view of both the company and its stakeholders. As part of a materiality analysis we carried out a systematic survey of customers, partners, suppliers, employees, owners and

other relevant stakeholders and thus precisely defined the sustainability-related topics that are most important for our business activities. These topics are aggregated into fields of focus in the Vaillant Group Materiality Matrix.

## Systems and processes

Driving these topics forward in an international company requires a common language in the form of processes. This is because Group-wide processes are needed to lay down standards that ensure sustainability aspects are taken into account throughout the value chain. There are three processes that affect product development and consider the phase from product strategy to market launch. The Group Production Process describes production steps, the Group Market Process addresses customer requirements and retention, and the Group Service Process describes the activities of our service technicians and specialist partners.

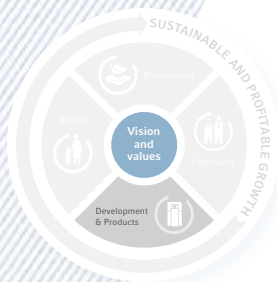
To manage company performance in terms of environmental protection, occupational health and safety and quality, the Vaillant Group uses differentiated management systems that are determined by standards valid throughout Europe. The Vaillant Group regularly commissions independent institutes to audit the application of these standards as part of a "multi-site certification process". All of our production and development sites have been certified as compliant with quality standard DIN EN ISO 9001 and environmental standard DIN EN ISO 14001. And we are just as ambitious when it comes to workplace health and safety. All of our production and development sites have already been certified to international standard OHSAS 18001. We are currently preparing to implement the occupational health and safety standard DIN EN ISO 45001, which is planned to be published at the end of 2017 and will supersede OHSAS 18001.





# OUR SUSTAINABILITY TARGETS

In spring 2011, the Vaillant Group set itself the first binding, verifiable targets in all fields of focus within the S.E.E.D.S. programme. These goals are an indication of the direction we shall be taking until 2020. Until then we are resolved to be transparent – not only about where we are on track, but also about where we need to become even better. As a result of the annual review, we have now heightened two of our environmental targets as we are already close to meeting our aim of reducing energy consumption and we have already exceeded our water reduction goal. We are now aiming to increase our energy efficiency from 20 to 25 per cent and reduce our water consumption by 50 per cent. **More detailed key figures relating to sustainability can be found on the pages that follow.**



## Development & Products

Our goal is to offer our customers energy-efficient and environmentally friendly products throughout the entire product life cycle – from development to purchasing, production and use, and all the way to service and recycling.

# 80

% Turnover of high-efficiency products

-15% Greenhouse gas emission of the product portfolio

+15% Material efficiency

Go-ahead 50% of target value achieved Target achieved

The 6 Green Rules on sustainable product development will become a binding part of our product creation processes.



## Environment

Protecting the environment and resources is an important part of the Vaillant Group's sustainability strategy. We aim to use resources responsibly, to consistently lower CO<sub>2</sub> emissions, prevent negative influences on the environment and actively use opportunities for improvement.

# -25

% CO<sub>2</sub>

+20% Energy efficiency

-20% Water

-20% Waste

Go-ahead 50% of target value achieved Target achieved

We have been using 100 per cent certified green electricity at all our German sites since the start of 2017. We therefore expect total CO<sub>2</sub> emissions to drop by a further 10 per cent.

The reduction in water consumption is a success story in itself. We have now increased our reduction target to 50 per cent. In 2016, we were able to reduce our water consumption in the test centres to less than half of the amount used the previous year.

We have seen an extremely positive development here: we have increased our energy efficiency target to 25 per cent. Consumption in the test centres fell last year and we have further increased efficiency in the production areas. The energy requirement for heating rooms has increased.



In 2016, the Vaillant Group was able to increase its turnover ascribed to technologies based on renewable energies by 14 per cent. By placing a strategic focus on efficient technologies and renewable energies, we expect this figure to increase further in the future.

The Vaillant Group has a very firm footing with regard to occupational safety. The huge amount of work that has gone into this area and the systematic OHSAS certification are paying off.

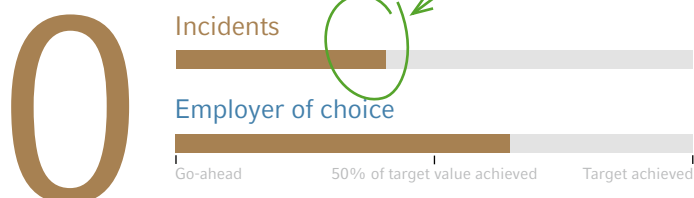
## Sustainability

Sustainability is an integral part of our corporate culture and strategy. Our goal is to take a leading position in key sustainability areas and to serve as a role model.



## Employees

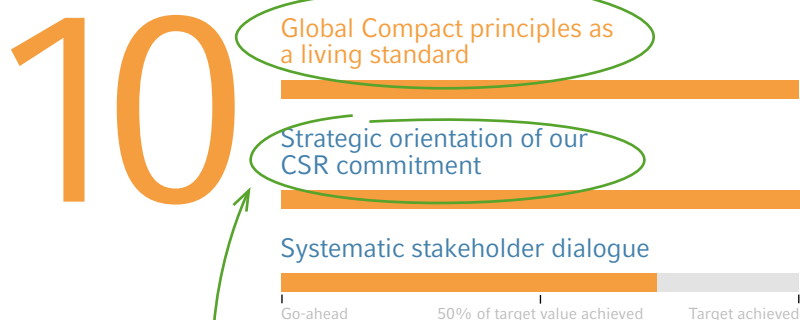
Our employees form the foundation and the soul of the Vaillant Group. We pursue the goal of being the employer of choice for job applicants and current employees.



Recognising the principles of the UN Global Compact forms an integral part of our purchasing terms, which apply to all standard suppliers. We are in the process of strengthening our commitment to check compliance with the principles during supplier selection and audits.

## Society

The Vaillant Group acknowledges its social responsibility. The company makes an active contribution where it operates, for social progress and the welfare of people.



Our CSR commitment is closely linked to our core business. The partnership with "SOS Children's Villages worldwide" is an authentic fit for our corporate and brand values. Our partners regard this cooperation as highly credible, as evidenced by a supplier survey: on a scale of 1 to 5 (1 = high, 5 = low), those surveyed rated the credibility of this commitment as 1.75.

All percentages refer to the 2010 reference year and are dependent on volume.

This sustainability report provides comprehensive and transparent information about the alignment of the company with the guiding principle of sustainable, responsible business practices.

## ABOUT THIS REPORT

### SCOPE OF THE REPORT

This report contains information about the strategic direction of the Vaillant Group in terms of sustainability management. The report discusses Group-wide developments in the S.E.E.D.S. programme's four fields of focus. The target readers of this publication include customers, partners, suppliers, employees, owners, media representatives and other interested stakeholders.

### MATERIALITY AND INCLUSION OF STAKEHOLDERS

When planning the report's contents, we took into account feedback from different groups of stakeholders gathered from various dialogue formats. In addition, we used a materiality analysis of internal and external reference groups to identify and evaluate sustainability topics that are important for our business activities.

### REPORTING PERIOD AND DATA COLLECTION

The last sustainability report was published in 2016. The reporting period for all of the key performance indicators in the current report covers the 2016 calendar year from 1 January 2016 to 31 December 2016. The editorial deadline for reports on matters related to sustainability was 31 May 2017.

All production-relevant figures relate to the Vaillant Group production plants in five European countries, Turkey and the People's Republic of China.

Figures were collected via a written survey filled in at our main sites and managed centrally. It should be noted in regard to the key indicators presented that they concern both absolute and relative figures. This allowed us to account for all factors feeding into them, e.g. expansion of our production capacity.

### GLOBAL REPORTING INITIATIVE (GRI)

Our reporting on the Group's sustainability performance has been adapted to the internationally recognised standards of the Global Reporting Initiative (GRI). An external audit of the Vaillant Group's adherence to the GRI in its reporting has neither been conducted, nor is it planned.

### GLOBAL COMPACT

The Vaillant Group is a member of the UN Global Compact. This report includes accounts of the progress we have made in our efforts to implement the pact's Ten Principles (Communication on Progress). You can find a systematic overview of our initiatives in this area, updated annually, at [www.vaillant-group.com](http://www.vaillant-group.com).

### PRINT AND ONLINE

The sustainability report is published in German and English. Further to the hard copy, a PDF version is also available at [www.vaillant-group.com](http://www.vaillant-group.com). In case of doubt, solely the German version published in printed form is binding.

## IMPRINT

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-4%

Waste

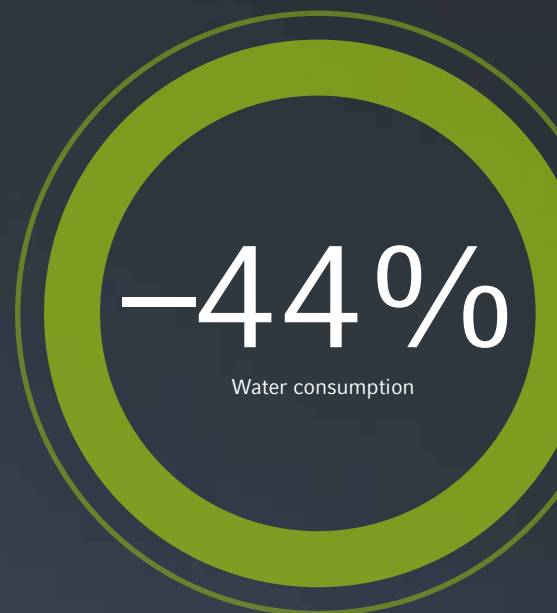
-16%

Total energy  
consumption

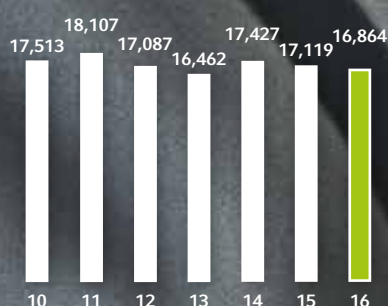


## SUSTAINABILITY KEY FIGURES

# IN BLACK AND WHITE



The Vaillant Group lists all key figures relating to sustainability on an internal scorecard so we can manage our activities in this field. As we are constantly working to improve the quality of data and make our figures more meaningful by successively expanding their scope, changes may have been made to the previous year's figures since the publication of last year's report. The percentage development specified relates to the reference year 2010.



Waste  
t



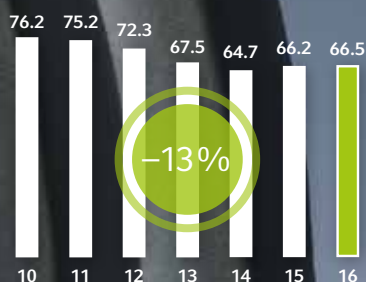
Water consumption  
m³



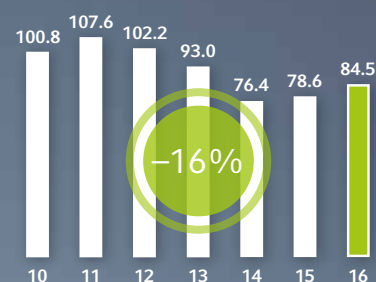
Oil consumption  
GWh



Total energy consumption  
GWh



Electricity consumption  
GWh



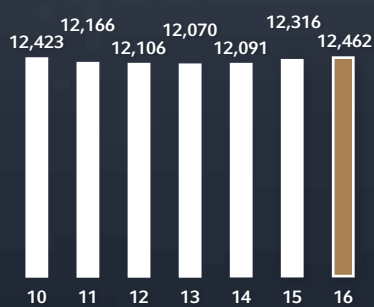
Gas consumption  
GWh

+12%

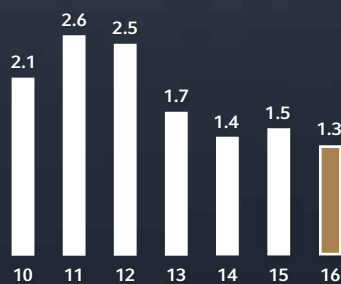
Management positions  
filled internally

-49%\*

Accidents at work



**Employees**  
Headcount



**Accidents at work**  
per 100 employees



**Management positions  
filled internally**  
%

\* Compared to 2011



# 100%

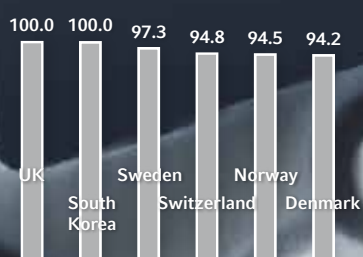
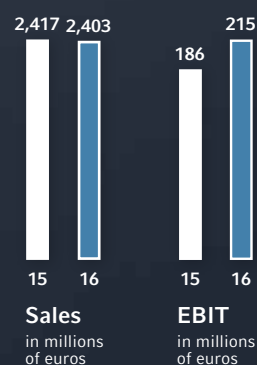
UN Global Compact  
purchase volumes

# 2.4

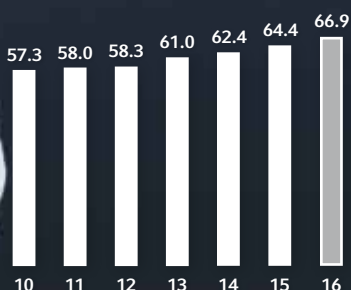
Billion euros net sales

# +17%

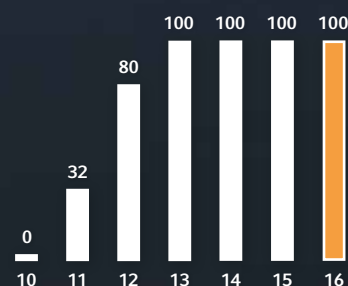
Efficient/renewable  
technologies – share  
of overall sales



Markets with the greatest  
share of renewable  
energies in sales  
%



Efficient/renewable  
technologies – share  
of overall sales  
%



UN Global Compact  
purchase volumes  
%



As well as dealing with the topic of sustainability, this report has also been produced sustainably in terms of printing. The paper is made 100 per cent from recycled material and has been given the EU Ecolabel, Blue Angel certification and FSC® certification. The inks and all other consumables such as printing plates are either based on renewable raw materials or are recyclable. We intentionally avoid using environmentally damaging cover finishes such as film lamination or soft-touch or UV coating. Our printing contractors use green electricity and reuse the heat from the printing machines for heating purposes. In addition, we are increasingly using the Internet to distribute this report. We also save resources by publishing a short sustainability brochure which is specifically intended for our customers. Finally, the CO<sub>2</sub> emissions that inevitably do result from the production of this report are offset via certified schemes. The sustainability report is therefore exactly what people should expect from a sustainable report: ink on paper.