

# Sustainability Report: 2009

NOVEMBER 2010



ETAP 

EXCELLENT LIGHTING, SAVING ENERGY



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## 1. PREFACE

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From its original foundation in 1949, ETAP shareholders put great store in the sustainability of the company's activities.

Hence, the company's original mission statement already paid particular attention to the fact that

our organisation should strive to reach a balance between economy, environment and social values. We are proud to say that we never lost sight of this goal. And even though our mission statement has been adapted to the changing times, the core of ETAP's commitment has never changed. ETAP has collected most of the data you will find in this report for years; they are analysed periodically and used to steer our strategic plans and draw up our annual action plans. However, they fundamentally remained an internal tool, one that even some of our own employees were not familiar with.

In light of their social relevance, the questions from our clients and employees and the media's and other forums' modern-day focus on 'sustainable entrepreneurship' we felt that it was important to compile this data in a formal report, in conformity with the internationally accepted GRI (Global Reporting Initiative) directives. In this way we can guarantee that we have published a balanced and comprehensive sustainability report, which can be uniformly interpreted wherever we operate.

As it is vital to paint an overall picture, we assigned one of our executive committee members with the task of compiling this report. Together with a number of board members and department managers, he expertly coordinated the publication of this report. The first stage consisted of testing the data at hand against the GRI reporting parameters. Given the amount of data available, this proved to be a simple exercise. Following internal consultation (at project-group level) and external consultation (with the stakeholders) the GRI indicators were then selected on the basis of their relevance to ETAP and their importance to the stakeholders. The second stage, i.e., the translation of the internal terminology into a format that would be intelligible to everyone, turned out to be the more intensive part of the exercise.

We hope that this report portrays a correct and intelligible picture of our vision of sustainable entrepreneurship and of the annual actions we undertake to advance in this field.

This first sustainability report, which covers the period 2007 - 2009, is by no means the starting point and certainly not the end point for ETAP: it is a new, contemporary statement of our age-old commitment to flesh out our vision on sustainable entrepreneurship through ETAP.

*Christ Joris  
President of the Board*

## 2. ORGANISATIONAL PROFILE



The ETAP Group was founded in Antwerp in 1949 and its registered office is located in Malle. We provide professional lighting systems for offices, factories, schools, hospitals, shops and hotels. We have our own sales teams in Europe and the United Arab Emirates, and our export department supplies other markets across the world.

ETAP develops all-in-one lighting solutions: we create lighting concepts, design, industrialise and manufacture luminaires, offer advice and make lighting designs, supply the luminaires on time and provide an after-sales service. We do not confine ourselves to functional lighting but also supply emergency lighting and light control systems. By following up the entire process ourselves, we are in a position to guarantee nothing but the highest quality every step of the way. As a result of continual investment of 6 to 7 % of turnover per year, ETAP maintains constant product refinement and technical innovation year in year out, maintaining ETAP's prestigious position in the World lighting market.

The ETAP Group is made up of the following legal entities: ETAP NV in Belgium, ETAP BV in the Netherlands, ETAP SA and ALTER SAS in France. Furthermore, ETAP NV has a 50% participation in ETAP.SCHRÉDER – Iluminação Interior, Lda in Portugal and a majority participation in ETAP Belysning AB in Sweden.

ETAP NV has branches in the following countries: Germany, the United Kingdom, Spain and the United Arab Emirates.

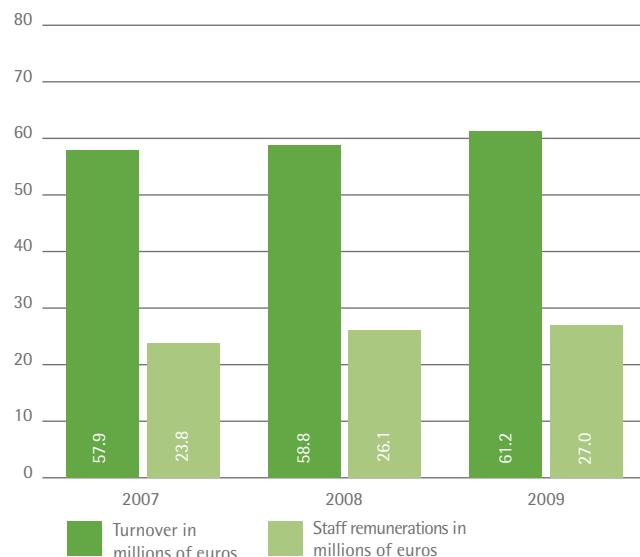


Figure 1: organisation chart of the company

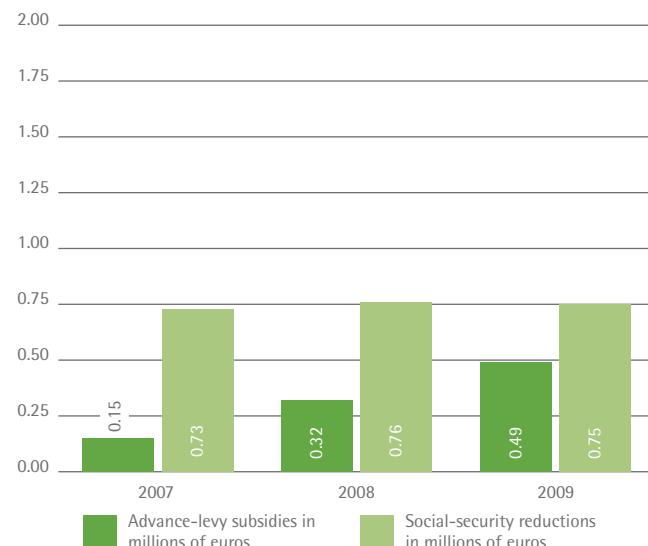
### Key data

The only form of financial support ETAP received from the government during the reporting period were employment premiums. ETAP was granted government subsidies within the framework of advance levies for shift work, overtime, the employment of development researchers and an inter-professional subvention. Aside from a structural reduction in social security contributions, reductions were also granted

for more mature employees and the long-term unemployed and within the framework of starting-job agreements. All the figures in this sustainability report are consolidated figures, which apply to the entire ETAP Group.



Graph 1: 2007 - 2009 turnover and staff remunerations



Graph 2: Financial support from the government

### 3. SUSTAINABILITY IN THE CORE PROCESSES

As a company, ETAP strives for long-term sustainable development. In that light, we maintain a healthy balance between economic returns, social values and commitment to the world we live in.

Ever since its foundation, ETAP has made sustainability and care for the environment part of its mission. Aside from our mission we also operate an internal sustainability charter to reinforce our corporate mission even further. It is our intention to make this charter as concrete and quantifiable as possible so as to clearly illustrate the values we, at ETAP, embrace. On these issues we want to excel as an organisation because this is how we can actually shape our mission. The principles are implemented as follows:

- Our lighting solutions are unrivalled in terms of energy efficiency and are mainly manufactured from recyclable raw materials. ETAP devotes itself to continuous improvement in the area of environmental protection.
- In respect of the product group 'emergency lighting' we only develop LED luminaires, while 50% of our development capacity in the product group 'lighting' has currently been assigned to the development of LED luminaires.

- Globally speaking, about 20% of the world's overall energy consumption is spent on lighting<sup>1</sup>. Depending on the type of building and the activities in those buildings, this can

#### THE ETAP SUSTAINABILITY CHARTER

1. Sustainable development shall be taken into consideration throughout our decision processes.
2. In all corporate aspects, we shall work honestly and with integrity.
3. In our business management we shall always strive to reduce our impact on the environment. More specifically, we shall endeavour to reduce our ecological footprint.
4. We shall develop products geared towards maximum energy efficiency that are easy to recycle and process when they have come to the end of their lifecycle.
5. Via internal training and programmes we shall encourage our staff to act in an environmentally-friendly and responsible manner.
6. We shall support independent initiatives on the environment and shall also assist our clients in this respect.
7. We shall donate a portion of our profits to projects that can further the development of local communities.
8. We shall report on our efforts in accordance with the guidelines of the Global Reporting Initiative (GRI).

<sup>1</sup> Source: International Energy Agency (<http://www.iea.org>)

even run into 35% or more. In other words, lighting offers a tremendous savings potential. At that, energy-efficient lighting also cuts down on cooling costs as this form of lighting generates less heat. And it also reduces the level of greenhouse-gas emissions, which is imperative as, under the Kyoto Protocol, the EU countries have agreed to reduce CO<sub>2</sub> emissions between 2008 and 2012 to 8% below the 1990 level. ETAP's solutions and daylight-dependent controls or sensors certainly contribute to this savings potential.



- Quality is our main concern. This manifests itself for instance by the fact that we have consistently been ENEC certified. The ENEC label confirms that all prevailing legal standards have been complied with in full. As regards our products for the healthcare sector, which are governed by the Medical Device Directive, ETAP has been certified as a manufacturer of medical devices, class IIb, pursuant to European Directive 93/42/EEC.

- We also meet all the statutory and industrial standards such as ISO 9001, the RoHS and REACH Directives. Furthermore, we hope to become ISO14000 certified in the course of 2011. One member of our executive committee assumes the final responsibility for these systems and distributes them throughout the organisation. He is assisted by external advisors, where necessary.

- ETAP tries to have an excellent relationship with all its staff. Various aspects play a contributory role in this regard: excellent working conditions, involvement and responsibility at work, opportunities for self-development. The results of the 2008 staff satisfaction survey attest to this.

- We help our clients with independent initiatives. For years we have been actively involved in the GreenLight Programme (<http://www.eu-greenlight.org>): i.e., a voluntary programme the European Commission launched to encourage companies and authorities to use energy-efficient lighting in their buildings. As a 'Main GreenLight Endorser', ETAP has helped numerous companies become GreenLight Partners. Partners save on energy costs while simultaneously providing high-quality lighting so that people can work in a pleasant environment.



- To reduce our impact on the environment, various actions are being examined. The basis is an eco-efficiency scan, which was performed as an independent audit in 2009 (cf: see [www.ovam.be/eco-efficientie](http://www.ovam.be/eco-efficientie)). These actions will be clarified further during 2011 in the form of annual action plans. In addition, two small-scale actions are conducted every year to keep the theme in the spotlights. For instance, on 7 May 2010, we hosted a fair-trade day during which we informed employees and visitors about the range of fair-trade products that are available; our company has meanwhile made the switch to fair-trade products for internal use.
- We donate a certain proportion of our profits to projects that can boost the development of local communities. The Gillès Foundation, which was founded and is administered by ETAP shareholders, receives 1% of the pre-tax profits of the ETAP Group every year. With these funds, the Foundation funds projects in developing countries that will increase the long-term autonomy of the local population.

Upholding the charter's values are the responsibility of every ETAP employee. But to implement our vision on sustainable entrepreneurship within our own company, one of our executive committee members is in charge of turning these principles and intentions into reality.





## 4. VISION ON PRODUCT DEVELOPMENT

EXCELLENT LIGHTING  
SAVING ENERGY



ETAP works with its clients to find the best possible lighting and emergency-lighting solutions. The ETAP solutions:

- provide comfortable lighting in all types of work environments;
- are the most energy-efficient;
- are reliable and made to last;
- contribute to the architecture of the building;
- are tailored to the specific requirements of every client;
- are easy to fit and maintain.



Our vision is underpinned by our own diverse scientific reference material; the combination makes our vision original and lends it intrinsic value.

Based on this vision, we developed the following products during the 2007-2009 period, amongst others:

- K7 is a complete range of emergency lighting, equipped with LED technology. This range allows you to derive maximum benefit from the many LED advantages.



- ESMweb™ is a central monitoring and control system that helps to monitor, control and maintain the emergency lighting. The ESM network can be connected to the Internet, so that it is always fully accessible from anywhere, via the World Wide Web.

- HaloOptics® is a diffuser with a high transmission factor, used in a whole range of devices. This reduces loss of light and increases the output of the luminaire. Thanks to HaloOptics®, the luminaire is lit evenly, without producing any uncomfortable lamp outlines.

- R8 is a contemporary range of diffuser luminaires. These luminaires come in a minimalist design, have been given a refined finish and are energy-efficient.



- UW1 is LED orientation lighting. The optimised lighting technology used means that only a minimum number of fittings are required.



- E1 with LEDs is an industrial IP65 luminaires used to provide energy-efficient lighting in cold and freezer rooms.



- Kardó: a unique lighting system, which ensures that the architecture can be followed throughout the building. Its austere base profile can be fitted with a wide range of light modules, which are arbitrarily placed into the profile.



- Medilux®: a range of products designed to be fitted in the rooms of health and care facilities. This series comprises both lighting and certified lighting for medical facilities, with connection points for medical gases, electricity and communication.



The environmental impact of our products mainly stems from the energy consumption while the lights are in use. By continuously focussing on energy efficiency when developing new products and on the overall lifecycle of our products, ETAP has become one of the leading suppliers of energy-efficient lighting solutions. The switch-over to HR Silver reflector materials for luminaires, the further energy-efficient LED applications in emergency and in general lighting alike and the introduction of the ELM light control system in 2008 are fine examples of this. In 2008 we installed this system in our own buildings, which led to an energy saving of 50% and resulted in our company being awarded the GreenLight certificate.

ETAP is an active member of CELMA (Federation of National Manufacturers Associations for Luminaires and Electrotechnical Components for Luminaires in the European Union) and via Agoria (Multisector Federation for the Technology Industry) we submit proposals on the drafting of regulations (e.g., the Energy Performance Regulation, EPR). And we also collaborate with scientific institutions such as the Flemish Institute for Technological Research, VITO, which conducted a comprehensive lifecycle analysis and study into an ecological design for our emergency lighting. These elements are also incorporated into our product development.

## 5. CLIENT SATISFACTION

At ETAP, client satisfaction takes centre stage. This plays an important role in our strategy. To measure client satisfaction we use both informal and formal tools. We obtain the more informal input from our extensive commercial network: our



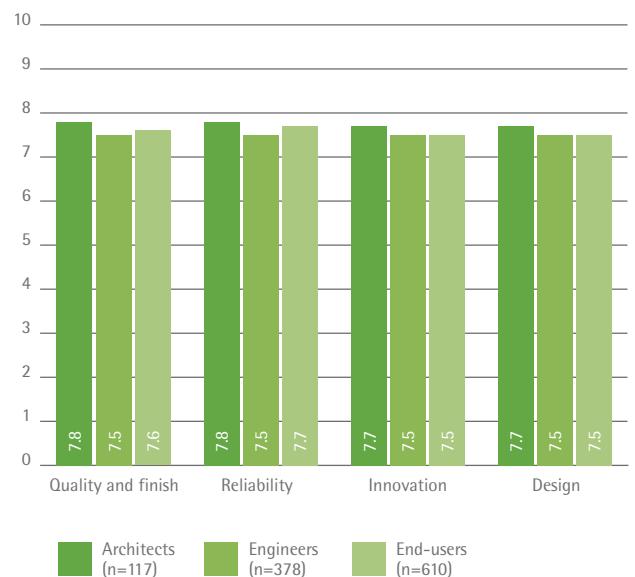
sales staff are in daily contact with our clients and answer any questions or resolve any minor problems to the best of their ability.

In addition, we also use two formal channels:

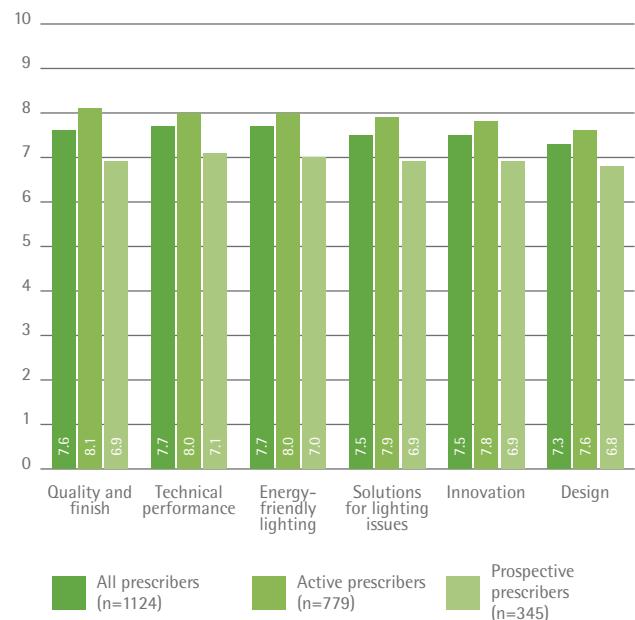
- Firstly, our complaints system. Every formal complaint from a client is forwarded to the relevant department and once the problem has been solved the client is given feedback. The manner in which complaints are dealt with has been comprehensively described in the ETAP ISO 9001 quality assurance system. Every year, the board of directors also acquires an overview of any structural complaints that have been received. This is an important tool to fine-tune the organisation where necessary.

- Secondly, we conduct a client survey. This survey is held every 3 years, in function of the strategic planning exercise ETAP conducts (exceptionally, the 2009 survey was deferred to 2010). We probe those parameters in which our organisation wishes to excel and where we want to outshine our competitors. This relates to quality and finish, technical performance, innovation and design.

The results of the 2007 survey can be found in graphs 3 and 4. The results (on a scale of 10) are interpreted in function of the previous surveys and in function of our position in relation to our immediate competitors.



Graph 3: Results of our clients' survey on emergency lighting products



Graph 4: Results of our clients' survey on lighting-products

## 6. DIALOGUE WITH STAKEHOLDERS

ETAP tries to maintain an excellent relationship with its stakeholders. Proper communication is essential and should result in a win-win situation for all the crucial ETAP stakeholder groups.

This sustainability report was cross-checked with a number of stakeholders. On 23 July and 2 August 2010, we organised stakeholder discussions at our Malle branch. Two clients, an important supplier, a bank, one shareholder and two staff representatives were given an opportunity to comment on the draft of the sustainability report (which they received beforehand). These constructive discussions led to valuable suggestions in terms of the contents and layout of the report and on ETAP's sustainability policy. To a large extent, these suggestions were incorporated into the present sustainability report. Any suggestions that were not retained for this report have been taken on board for our next, 2010, sustainability report and have also been listed in this report.



ETAP GROUP



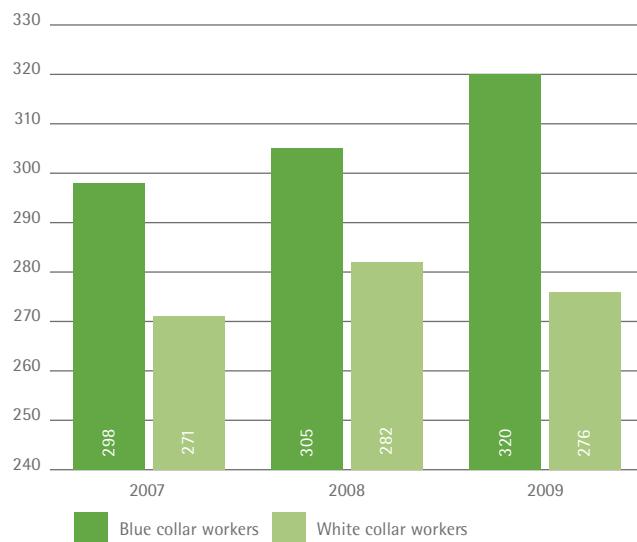
## 7. STAFF

In our ETAP mission we emphasise the fact that we offer our staff a challenging job, a pleasant and safe working environment and an honest social attitude. ETAP has always pursued an explicit staff policy and line in which consultation, the individual employee, family and work take centre stage. Under this policy, our members of staff and social partners are our main stakeholders. Interaction with employees is based on ETAP's core parameters.

To ETAP it is important that the staff is proud to be working at ETAP and that they derive satisfaction from their jobs. To that end, we continuously strive to create excellent working conditions throughout our offices and production areas alike. ETAP puts exceptional store by the safety of its working environment. We even go beyond the bounds of all the statutory requirements. Furthermore, every employee is given the opportunity to engage in self-development through training and through staff involvement in the job descriptions, in the working conditions and in the company itself. Our well-thought out and sustainable growth also gives our employees continuity and job security.

One point of particular interest within our company is the men/women relationship. With this specific relationship in mind we develop systematic career opportunities for non-technically trained women who would like to move on to one of the typically male professions. Competence development is a link in the sound-employability chain, irrespective of employees' ages. This ties in with our diversity plan, which was introduced during 2007-2008.

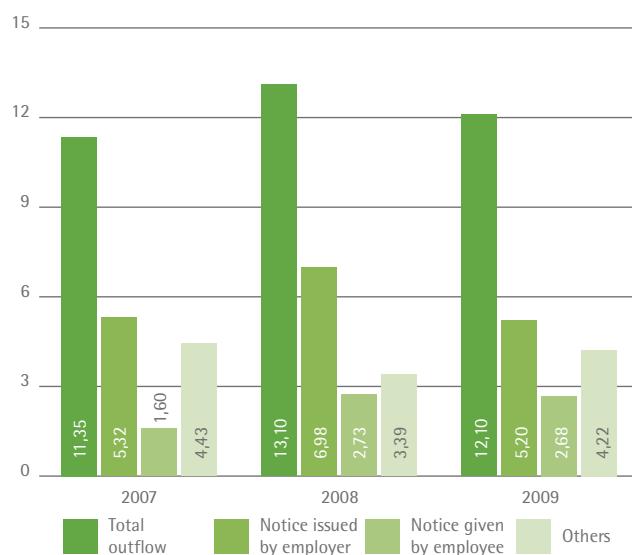
- Workforce – the blue vs white collar worker relationship In 2009, 596 people were employed by the ETAP Group, as against 587 in 2008 and 569 in 2007. In Belgium the blue vs white collar worker ratio stands at 66 % - 34 % on average. Positions abroad are almost exclusively filled by employees in commercial functions. Only our French branch employs 6 blue collar workers (graph 5). Our staff turnover is depicted in graph 6. The turnover of blue collar workers, which represents a large portion of the outflow of staff, can almost every year be attributed to members of staff who wish to terminate their temporary contract early or to members of staff coming from an extended career-break system and wish to finish for good. This is less pronounced amongst white collar workers, where the improved labour market (2008) accounted for a considerable share. The category "others" concerns employees



Graph 5: ETAP population

that have retired and employees of whom the fixed duration contract of employment ends.

In 2009, a collective labour agreement (CAO) came into effect to avoid involuntary redundancies in the wake of the financial and economic crisis. Under the terms of this CAO, staff sacrificed 10% of their gross salary and 5% was converted into work-time reduction. These efforts allow us to span this difficult economic period with full staff levels.



Graph 6: Staff turnover

### • Health and Safety

ETAP pays a lot of attention to safety on the shop floor, which is evident from the figures. In 2009, there were 21

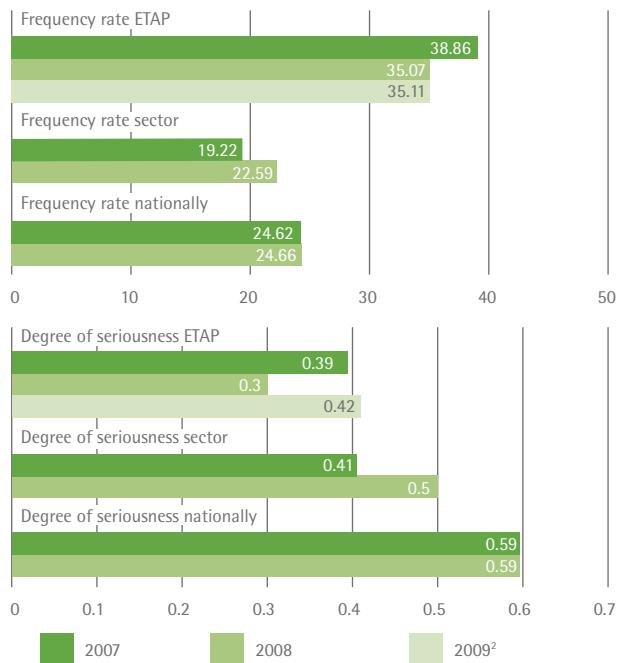
work accidents across all our branches, as against 20 in 2008 and 22 in 2007. Only production-related accidents were reported.

Graph 7 depicts the frequency rate (number of work accidents  $\times 1,000,000$  divided by the number of hours of risk exposure). The seriousness of a work accident is calculated on the basis of the number of calendar days lost (as a result of an accident) multiplied by 1,000 and subsequently divided by the number of hours' risk exposure per year. Benchmarking within our sector has brought to light that the degree of seriousness (the year 2007 excepted) is low while the frequency rate exceeds the average. Via targeted annual action plans, the members of the CPBW (Committee for Prevention and Safety at Work), in conjunction with the Health and Safety Advisor, are trying to take preventative measures which should have a positive impact on the work-accident figures. Laser curtains around pieces of equipment that involve a certain risk for the hands,, systematic checks by the safety manager, regular technical checks, etc., all contribute to this.

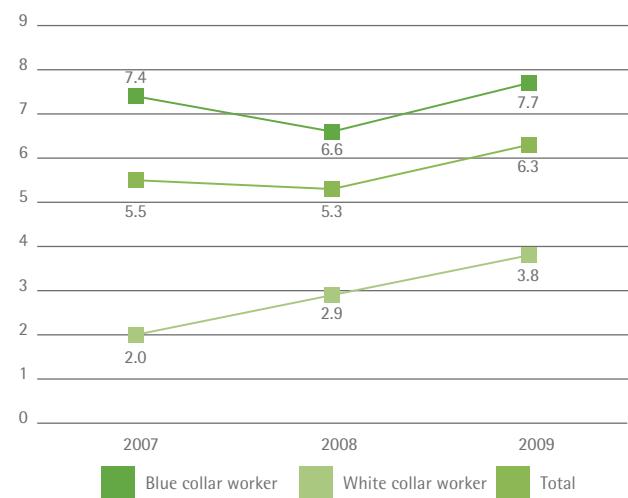
It is ETAP's ambition to reduce health-related absenteeism. To that end, and in consultation with the social partners, a transparent health-related absenteeism policy was drawn up during 2008: a protocol, information to staff (oral and written), out-company training on absenteeism talks for management, arrangements regarding medical examinations and the use of information boards.



The 2009 absenteeism figures evolved unfavourably. This can be partly attributed to extra sick leave due to the flu and season-related colds during spring and autumn. The absenteeism peaks tally with the incidence of flu and colds



Graph 7: ETAP work accidents



Graph 8: ETAP health-related absenteeism, total percentage of hours to be worked

that emanate from the Great Influenza Survey the Influenza Committee conducted.

Our absenteeism figures include all types of sick leave (e.g., also sick leave of more than one year), with the exception of maternity leave.

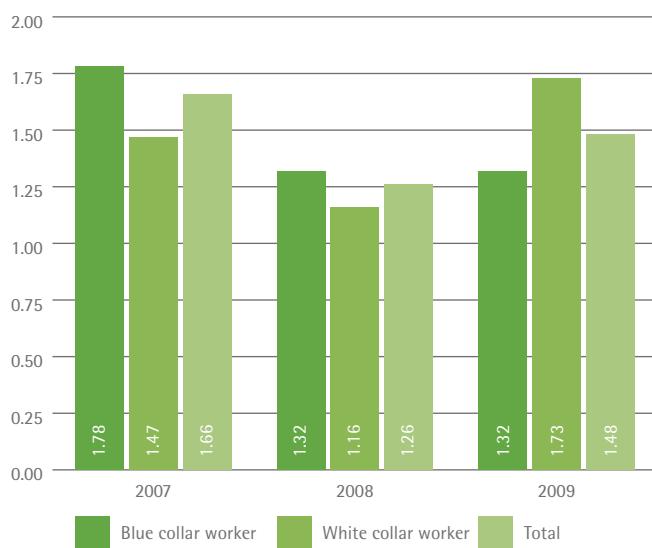
No occupational diseases or work-related fatalities were recorded.

<sup>2</sup> Available figures

Arrangements in terms of health and safety are on the one hand laid down in the form of CAOs with Joint Committees 111 and 209. On the other hand, binding agreements are concluded at Company Council level and/or within the CPBW (Committee for Prevention and Safety at Work). Our entire work force is represented in this council and this committee.

- Training

For blue collar workers (Joint Committee (JC) 111), the 2009-2010 CAO stipulated that at least 1.3% of the total annual working time should be dedicated to training. Over the past few years, this standard has consistently been met. The same standard also prevails for employees (including executives) and here we score higher than required within our sector. A large part of the training provision is taken up by sales staff from the various countries.



Graph 9: Training efforts as compared to the total number of hours worked, in %

The high training figures amongst female blue collar workers can be attributed to two factors. On the one hand, we have a significant inflow of female staff and, on the other hand, considerable investments are being made to train women for technical vocations. The idea is to train the poorly-educated, or rather the not-technically-educated and bring them up to higher secondary-education 'technical mechanics' level. They are not only involved in production work but also fine-tune their own machinery and that of others. The same applies in terms of the training course 'quality specialist'. This gives them a chance to move on to higher positions.

- Competence management

Across all departments, competences and attitudes have been or are being charted. So far this has been accomplished in 'tool manufacturing', in 'sheet-metal working', 'production', 'emergency-lighting assembly', 'emergency-lighting development', 'lighting development' and 'surface treatment'. At this moment in time we are running a project for the Belgian sales division. Figure 2 gives a full picture of this project, including of any ensuing training.



During the function-identification process, we decide what the most important competences and attitudes for these specific positions are, not only in terms of initial competences but also in terms of the ultimate ones. We describe the specific skills with "perceptible behaviour" and set a minimum "standard" people should meet. Several managers, independently from one another, rate every individual employee on the competence grid. Afterwards, any differences between the ensuing data are investigated and an unambiguous and formal competence report is drawn up. This report is then used to detect any training needs, to work on achieving a balance between "knowledge and ability" within the teams and as a tool in performance-appraisal interviews. Members of staff are invited to partake in these management-vision discussions and in the setting of new learning objectives and/or targets.

All our members of staff, regardless of status, are invited to attend a performance-appraisal interview every year. In this way, ETAP tries to improve the organisation's effective functioning, to boost social contact between the members of staff and to stimulate our staff's development opportunities.

Three elements take centre stage:

- the work process: attention for the tasks and the actual performance
- the social process: cooperation, work atmosphere and working conditions
- the development process: arrangements regarding training, growth and long-term development, the setting of new targets.



#### ETAP GROUP .... PRODUCT GROUPS

##### LIGHTING

2008 competence matrix  
2006-2009 technical training for women  
Standard training blue collar workers  
2008-2009 specialist training  
2009-2010 godmotherhood training  
Course 'Dutch on the shop floor'  
2008 course 'air and acoustics'  
Knowledge transfer from old to young 2007-2009

##### EMERGENCY LIGHTING

2008-2009 competence matrix  
Standard training blue collar workers  
Course 'quality specialist' women 2009-2010  
Course 'Dutch on the shop floor'

#### SALES BRANCHES

#### SALES DIVISION BELGIUM

2008-2009 competence matrix  
2009-2010 'lighting engineers' training

#### CENTRAL DEPARTMENTS

#### PURCHASE DEPARTMENT

2008 course 'Dutch on the shop floor'

Figure 2: Competence management

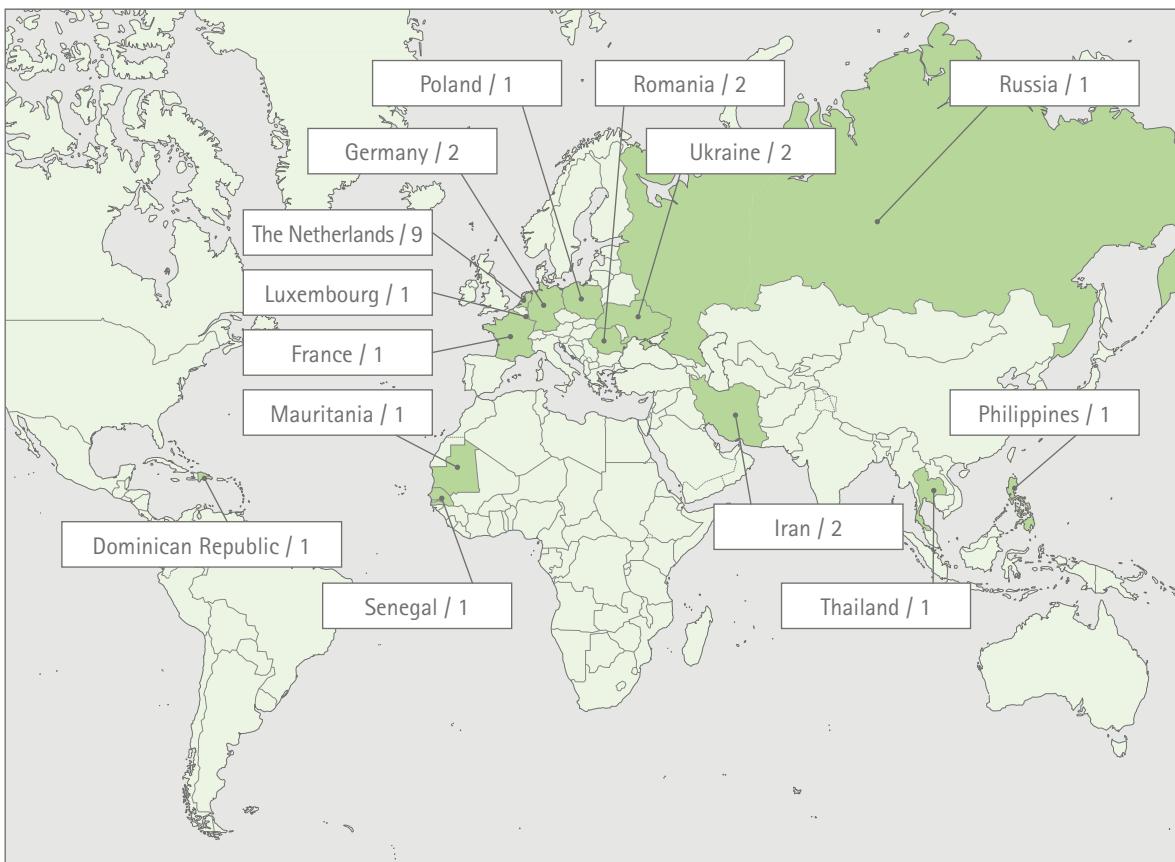


Figure 3: Country of birth of ETAP employees

- Diversity

In collaboration with RESOC (Regional Socio-Economic Committee) Antwerp, a Diversity Plan was drawn up during 2007-2008. ETAP explicitly welcomes all cultures and age groups and operates a non-discrimination code. The accents of the diversity programme are:

1. Setting up a guidance group on diversity.
2. Recruiting members of staff from target groups and offering a course 'Dutch on the shop floor'. For safety reasons, all our staff need to be proficient in the Dutch language.
3. Training not-technically-educated women for typical male vocations.
4. Competence matrix / screening of the core division sheet-metal working.
5. Implementation of a structured training plan for blue collar workers (as the diversity plan especially focuses on the poorly-educated and as these people are by and large suited to the position of blue collar worker).

ETAP also employs three disabled people (recognised by the Flemish Agency for Disabled Persons). ETAP was the 2009 laureate of the Pioneer Diversity Award.

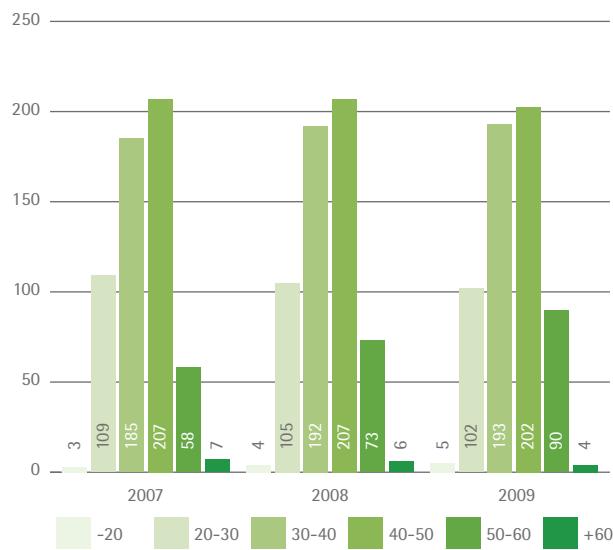
- 50+ policy

We have actively drawn our management's attention to the fact that people must be selected on the basis of competences and that they cannot take a sceptic attitude towards unemployed persons over the age of 50.



This firmly translated itself into 5 people being hired in 2008 and 6 in 2009. 20.4% of our staff are over the age of 50. In light of the size of this group, we launched a project on job satisfaction among people over the age of 55 during 2009. The keynote here is that this group of people holds considerable knowledge and expertise. Via the "godmotherhood" programme and the appointment of "experts" we do not only aim to secure this knowledge and expertise but also want to ensure that our members of staff feel that they are doing a worthwhile job and that they are appreciated for what they do. This particular theme has not yet caught on sufficiently (not amongst management nor amongst staff). However, this is not going to detract us from persisting with the "55+ availability" theme over the coming years.

#### Age distribution of staff:



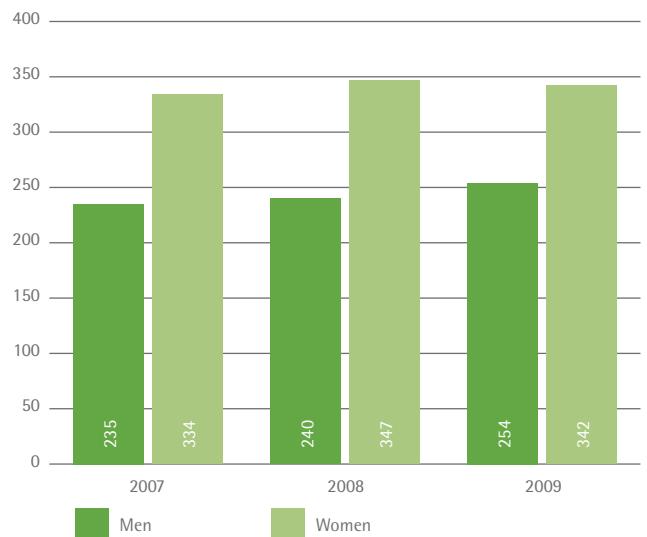
Graph 10: Age distribution ETAP staff

The number of employees over the age of 50 is rising significantly. These would be employees who have been with the organisation for a long time.

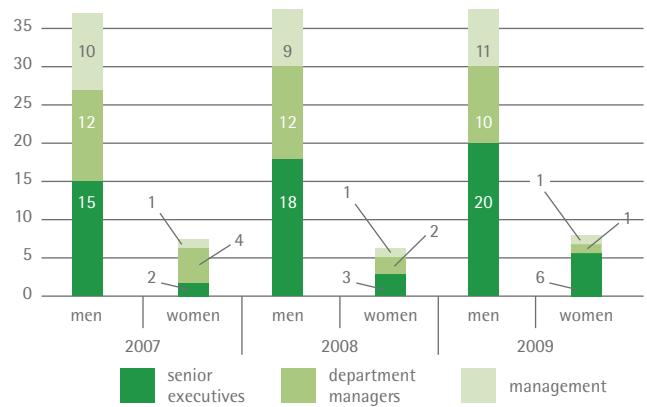


- Distribution men/women

Graphs 11 and 12 depict the distribution men/women within the ETAP organisation.



Graph 11: ETAP population men/women



Graph 12: Distribution men/women senior management, department managers and executives

## 8. SOCIAL CONTRIBUTION

Via its shareholders, directors (Christ'l and Anne-Marie Joris, Jean de Cannière, Dirk Vyncke) and executives (Johan Segers and Pascal De Langhe), ETAP makes a significant social contribution. All the mandates mentioned here cover the period up to 2009.

- Other mandates  
Christ'l Joris is Chairwoman of Flanders Investment & Trade, proposed by the Flemish Government. This mandate is remunerated as specified under the prevailing Flemish decree.



- Honorary mandates in the non-profit sector
  - Christ'l Joris is Community Chairwoman of the Red Cross Flanders, Vice-Chairwoman of the Wolkammerij nv (social incubation centre), Chairwoman of the Gillès Foundation and member of the jury of the King Baudouin International Development Prize.
  - Anne-Marie Joris and Jean De Cannière are Directors of the Gillès Foundation s.o.n. (development cooperation).
  - Dirk Vyncke is Chairman of Ex-Change (development cooperation).
  - Anne-Marie Joris is Director of Max Havelaar CVBA-SO (fair trade).

ETAP is also actively involved in employers' circles to ensure that companies are properly represented and to disseminate our mission in these forums.

- Christ'l Joris is a member of the governing body of VOKA (Chamber of Commerce of East Flanders) and Chairwoman of Agoria Flanders (Multisector Federation for the Technology Industry), Vice Chairwoman of the Agoria Antwerp-Limburg policy committee, member of the executive committee of the VBO (Federation of Belgian Companies).



- Anne-Marie Joris is Chairwoman of the Agoria social committee.
- Johan Segers is Chairman of the Lighting Steering Committee (group of the lighting sector within Agoria).
- Pascal De Langhe is a member of the board of directors of Lightrec (part of Recupel) and of the BIV (Belgian Institute for Lighting).



## 9. ENVIRONMENT

The ETAP Group has companies in several European countries and in the United Arab Emirates. With the exception of the small final-assembly division in France, production has been completely centralised in the Malle plant. The production stream is subdivided into sheet-metal working, surface treatment, assembly and packaging.

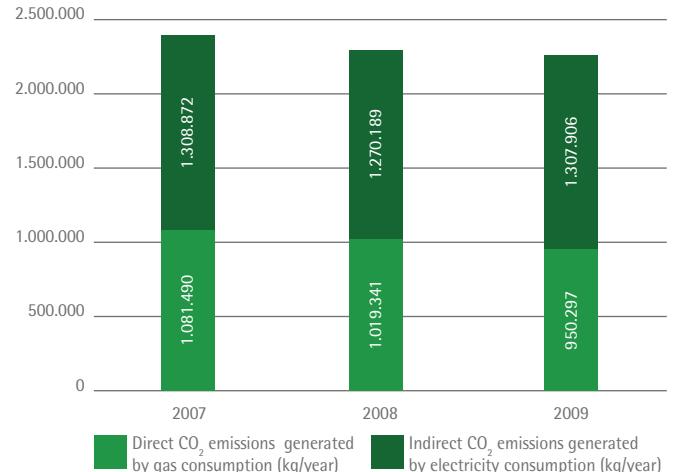


In accordance with its mission, ETAP has undertaken to make continuous improvements in terms of environmental protection. We are not only trying to reduce our impact on the environment when developing our end products but also throughout our production processes.

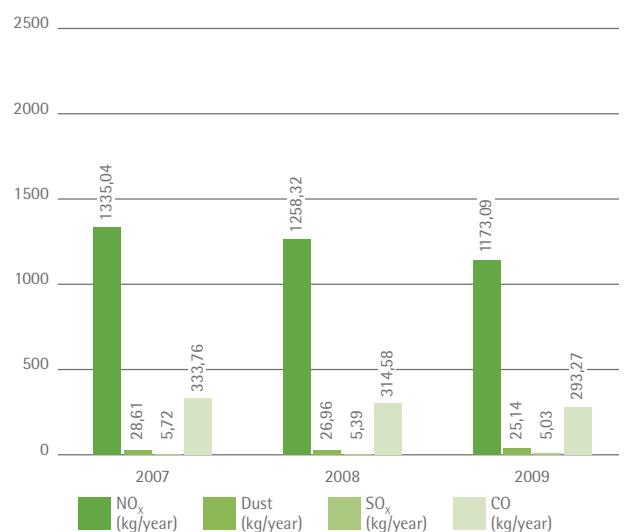
As mentioned earlier, an eco-efficiency scan that was performed as an independent audit in 2009 serves as the basis for efficiency improvements. (cf.: <http://www.ovam.be/eco-efficientie>)

- Energy and emissions

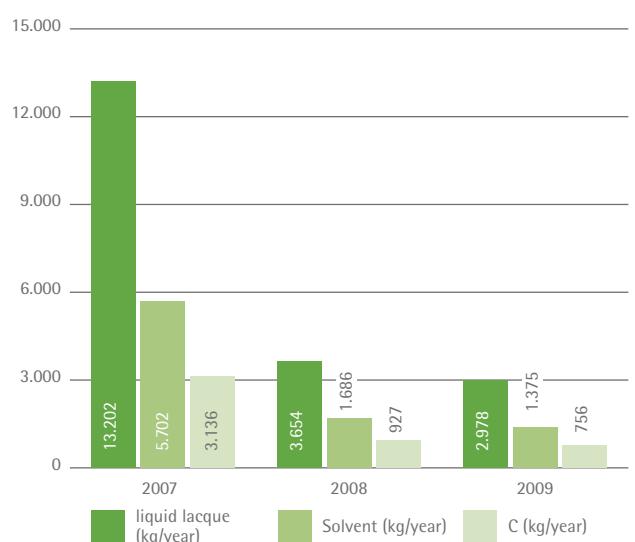
In our surface-treatment process we mainly use powder lacquers and water-based electrophoretic lacquers. Powder lacquers may generate dust but this has been minimised thanks to the recovery system and air filters we installed. Electrophoretic lacquers do not produce any air emissions. As a result of this deliberate action, the use of solvent-based liquid lacquers has dropped dramatically. This means that the dispersion of volatile organic compounds has been reduced to well below the measuring and reporting threshold values the government has imposed.



Graph 13: CO<sub>2</sub> emissions (kg/year)



Graph 14: Other emissions (kg/year)



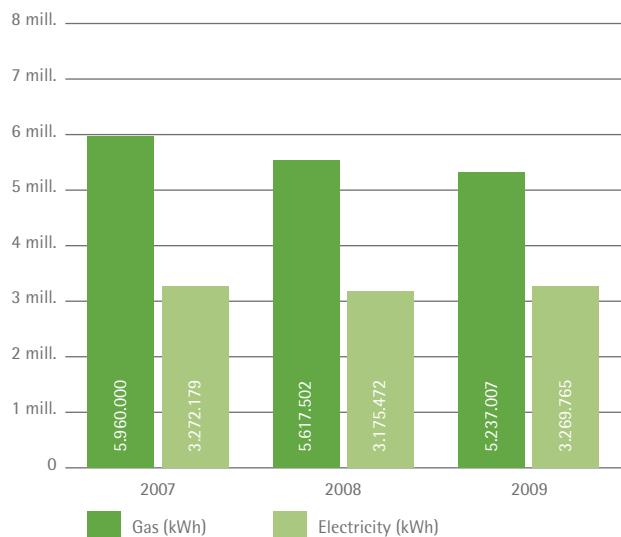
Graph 15: Use of solvents

Our buildings and the various lacquer ovens are heated by means of natural gas, which essentially implies that no sulphur-oxide emissions or lower emissions of nitrogen oxides are being released into the atmosphere. Carbon dioxide accounts for the largest part of the emissions.

In order to cool our offices during the summer and heat them during wintertime ETAP uses a cold/heat storage system. This means that we can make considerable savings on our gas consumption to heat the buildings during the winter and on electricity consumption for the air-conditioning during the summer, which does have a significant impact on emissions. Our 2009 gas consumption dropped significantly notwithstanding the measures implemented to prevent the spread of the Mexican flu (more external air into the buildings) and the extremely cold last few months of the year.

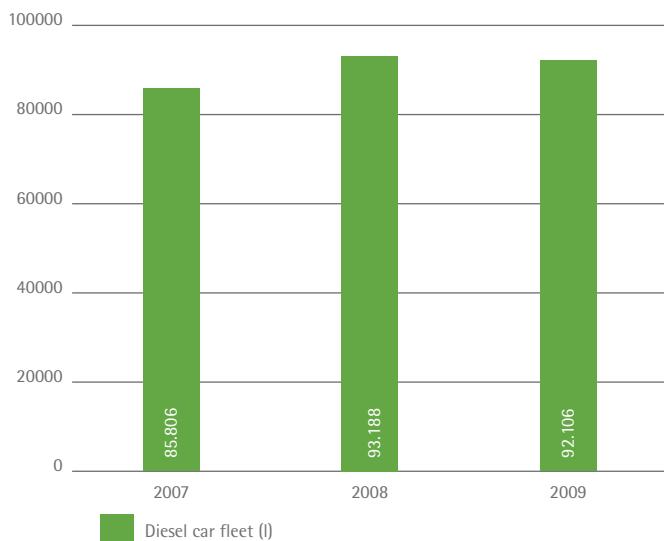
As lighting accounts for one third of our electricity consumption, we installed our new ELM light control system in our offices to further optimise our consumption. We also fitted our office windows with awnings during 2008 to cut down on the use of air-conditioning (ca 10% of the total consumption).

In terms of our electricity supply, ETAP switched over to 100% renewable energy generated by hydro-electric power stations during 2010, this in comparison to ca 15% in the past. As a result, indirect air emissions have become almost non-existent.



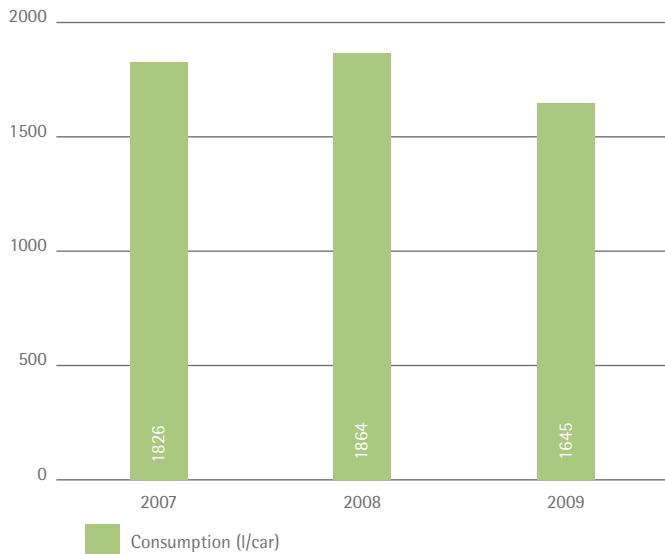
Graph 16: Energy consumption for gas and electricity

We use lorries to transport our raw materials to our plant or to transport our products to our clients. For the United Arab Emirates, transport is done by airplane or boat.

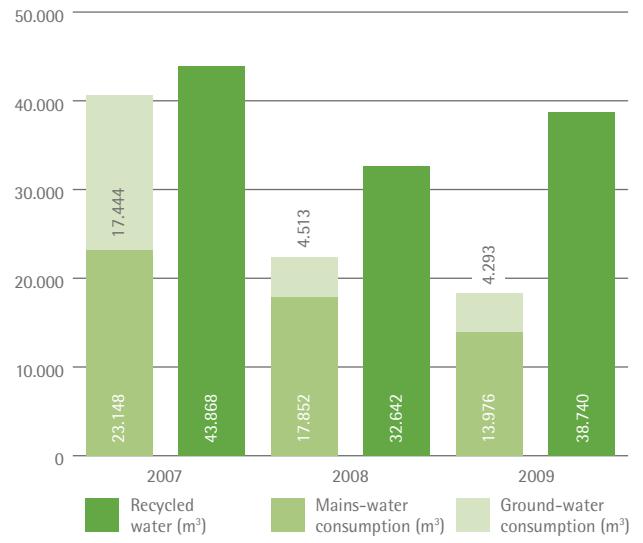


Graph 17: Car-fleet consumption

As regards our car fleet, sustainability aspects are very much taken into consideration. In 2009 a new standard to reduce CO<sub>2</sub> emissions came into effect for all new cars. We have concluded a tailor-made agreement with our leasing company who provides us with feedback on driving behaviour. Members of staff who are responsible for excessive CO<sub>2</sub> emissions are given the opportunity to take an eco-driving course to change their style of driving. Via our leasing company we also sponsor road-safety courses in elementary education. We believe in carpooling and always encourage our members of staff heading for the same location travelling in groups of 4, whenever possible (e.g., when travelling to trade fairs). We encourage our staff to use public transport to travel to sites where the use of a car would be less appropriate.



Graph 18: Car fleet energy consumption

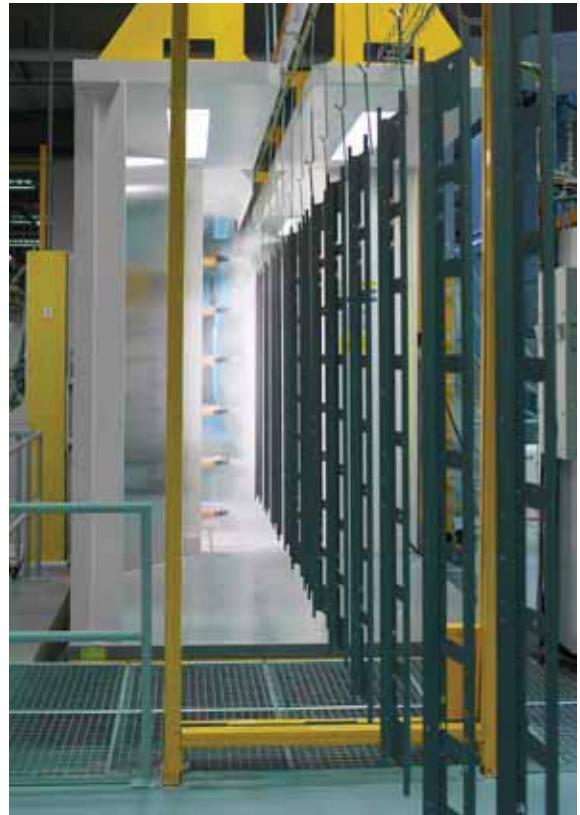


Graph 19: Total water consumption

- Water

Our water emissions are partly generated by the use of our sanitary facilities and partly by our surface-treatment processes. The waste water from our sanitary facilities is discharged into the sewers and goes to the state water-purification plant. The waste water from the surface-treatment processes is first purified at our own plant before it is discharged into the surface water of the Delftebeek, which flows alongside the plant site.

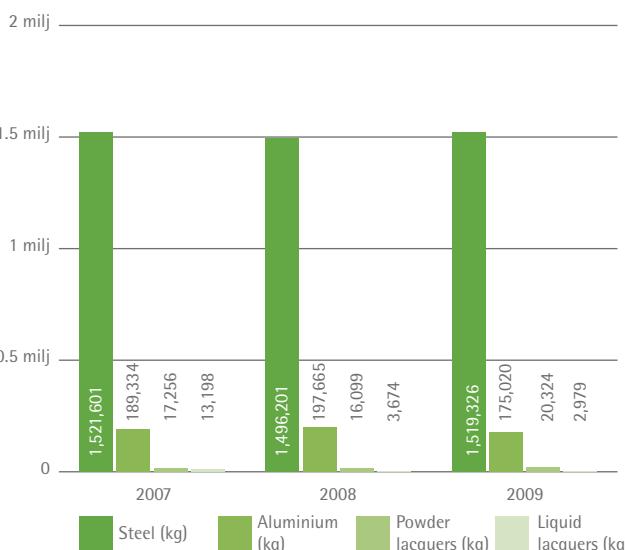
Since we invested in a new lacquer installation, which became operational mid-2007, our water consumption (both of ground and mains water) has dropped dramatically. To check the quality of our waste water, our operators carry out daily analyses. During these analyses, the most important and critical parameters of our licence for maximum permissible discharges are checked. Moreover, accredited laboratories carry out full control analyses on a regular basis.



- Materials and raw materials

The main raw materials, used in our production process, are steel sheet, aluminium and paint. The products we purchase, especially electronic components, are used in the assembly process whilst the various types of packaging are used to pack our products. The environmental impact of the raw materials and packaging mainly stems from the use of finite natural resources.

In 2007, we were forced to use an extra 7,865 kg of paintable lacquer due to paint problems in our electrophoretic- lacquer installation. As a result, we ended up using an unplanned extra quantity of liquid lacquer.

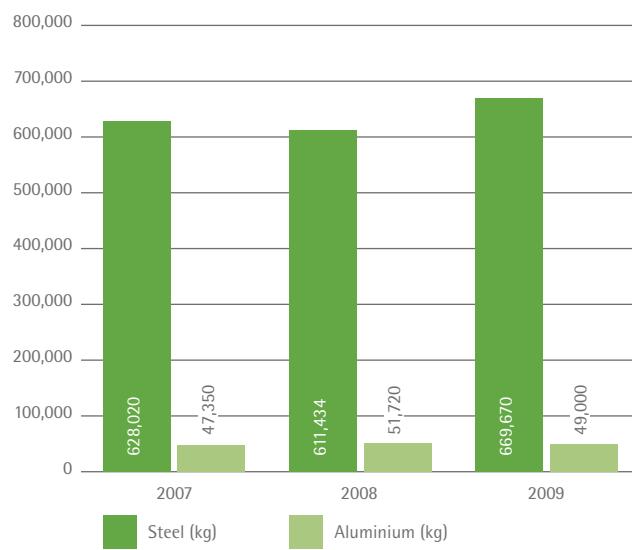


Graph 20: Use of materials and raw materials

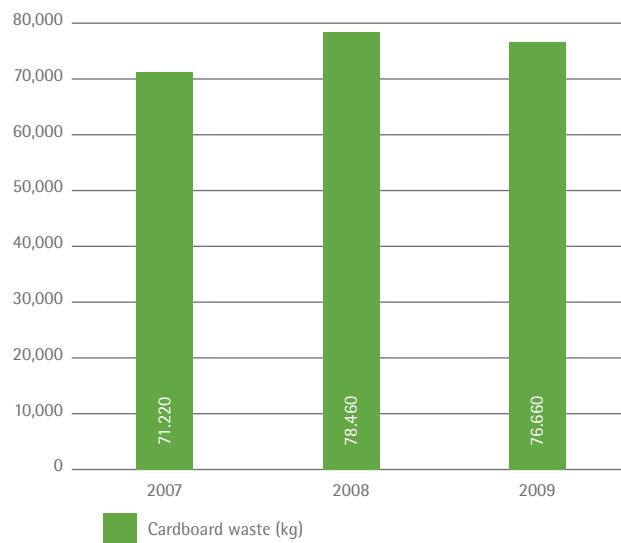
- Waste

The production of luminaires mainly generates steel and aluminium waste, as well as packaging in the form of cardboard and plastic. All our waste is sorted into some 50 different containers and is collected by accredited processors.

When we develop and introduce new products we do our utmost to implement a production and logistical method that generates as little waste as possible across the various departments so as to actively engage in waste prevention. One example of this would be pallet packaging, which we use for large orders. In this system, the devices are not all fully packaged individually but in lots, which drastically reduces the amount of packaging waste.

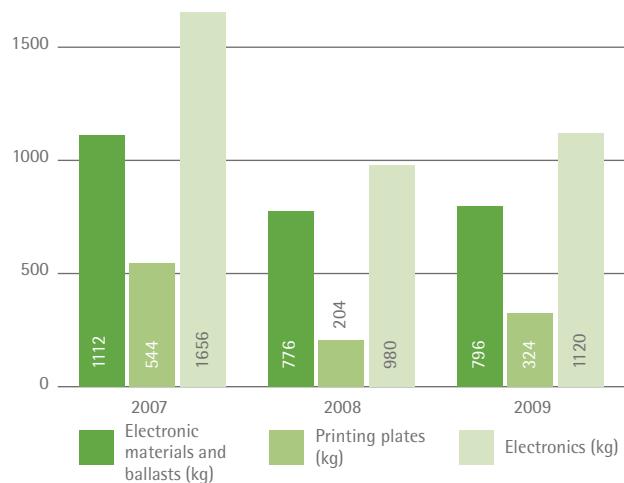


Graph 21: Quantity of steel and aluminium waste

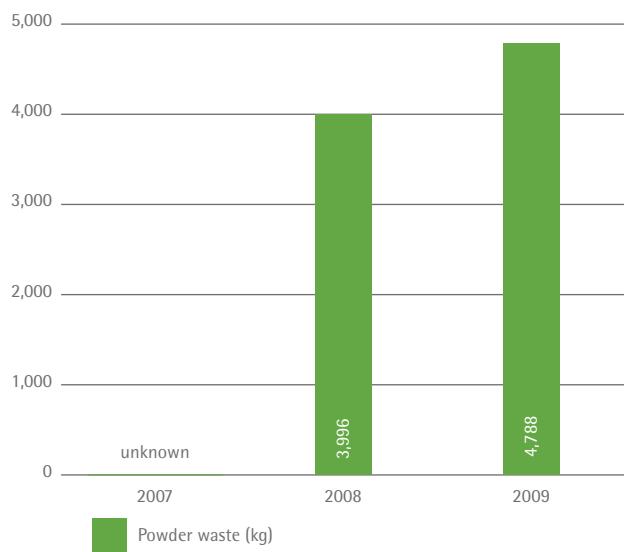


Graph 22: Quantity of cardboard waste

When our new lacquer line was put into use in the course of 2007, we introduced a separate collection system for our powder lacquer and liquid-lacquer waste. As a result we are unable to provide figures for 2007 and earlier.



Graph 23: Quantity of electronic waste



Graph 24: Quantity of powder waste

- Noise and vibrations

Noise and vibrations are mainly generated by blowers, pumps and presses and by the internal and external transportation of goods.

By carrying out regular, preventative checks to engines, pumps and blowers their lifecycle is optimised and the environmental impact created by vibrations and noise is kept under control. We operate a similar preventative maintenance plan for all our internal transport equipment.

- Miscellaneous

ETAP also takes part in initiatives aimed at offsetting the environmental consequences of products and services. ETAP is for instance actively involved in the Belgian LightRec branch of Recupel. ETAP also participates in BEBAT, which looks after the collection of batteries in Belgium, and in STIBAT, which has the same task in the Netherlands.

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## 10. THE SUSTAINABILITY REPORT PROCESS

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The data featuring in this sustainability report were compiled on the basis of internal (social report, financial data...) and external (environmental report ...) reports. This report does not contain any figures that do not already exist within the company in one form or another.

In addition, this is the first time that our sustainability charter featuring in this report has been published for external perusal. It is also the first time that our overview of sound corporate governance is circulated. It is a summary of existing detailed procedures and documents.

As a result of our consultation with our stakeholders, the original draft of our report has been fine-tuned in several areas. Topics such as sound corporate governance, the men-women distribution at management level, clarifications regarding our energy-saving solutions are all themes that were included following our debate with our stakeholders.

A number of elements from that debate have not yet been incorporated at this moment in time as they require further in-depth research or because they still call for structural actions within the organisation. Those topics will be included in our subsequent editions of this sustainability report.

- Based on our existing data, we will develop a number of parameters to provide a better overview of the contributions we make in terms of energy conservation vis-à-vis our clients and in terms of the environmental improvements we are

making to our production process on a yearly basis. In this way we will also be able to, where relevant, integrate the ambitions and a (short- and long-term) future perspective in the report. At present, the focus is still very much on information of the past.

- The results of our staff survey and the actions launched in that respect will be elaborated on in more detail. We shall also carry out a more in-depth investigation into the safety standards at production level.
- In the stakeholder group we would also like to give future generations a voice.
- Our next reports will also contain a vision on our long-term economic policy: relationships with clients and suppliers (how has this been catered for within the management systems, how are the principles being monitored) to what extent is the board involved in sustainability and what does the ETAP crisis management comprise.

It is our intention to publish a second edition of this sustainability report, which will include a report on a number of the aforementioned themes, by the end of 2011. After that, we plan to turn the publication of the report into a biannual event.

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## 11. CONTACT

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[www.etaplighing.com](http://www.etaplighing.com)

## 12. GRI TABLE OF CONTENTS

STANDARD INFORMATION SECTION I: Profile			
<b>1. Strategy and Analysis</b>			
§	Description	Reporting	Clarification
1.1	A statement from the board of directors on the relevance of sustainable development to the organisation and its strategy.	Complete	p 3
1.2	Description of major consequences, risks and opportunities.	Not	N/A
<b>2. Organisational profile</b>			
2.1	Name of the organisation.	Complete	p 4
2.2	Primary brands, products and/or services.	Complete	p 4
2.3	Operational structure of the organisation, including divisions, subsidiaries and joint ventures.	Complete	p 4
2.4	Location of the organisation's headquarters.	Complete	p 4
2.5	Number of countries where the organisation is active (including the relevance in terms of the sustainability issues).	Complete	p 4
2.6	Ownership structure and legal form.	Complete	p 4
2.7	Markets (geographic distribution, sectors and types of clients).	Complete	p 4
2.8	Scale of the reporting organisation.	Complete	p 5
2.9	Significant changes during the reporting period in terms of scale, structure or ownership.	Complete	No changes
2.10	Awards received during the reporting period.	Complete	p 10, p 18
<b>3. Report parameters</b>			
3.1	Reporting period to which the information furnished refers.	Complete	2009
3.2	Date of the most recent previous report.	Complete	N/A
3.3	Reporting cycle (annual, biannual, etc.).	Complete	Biannual
3.4	Contact point for questions regarding the report or its contents.	Complete	p 26
3.5	Process for defining the report content, including: relevance, materiality and stakeholders.	Complete	p 26
3.6	Boundary of the report.	Complete	p 26
3.7	Specific limitations on the scope or boundary of the report.	Not	N/A
3.8	Basis for reporting on joint ventures, partly-owned subsidiaries, leased facilities, outsourced operations or other entities.	Not	N/A
3.9	Data-measurement techniques and the bases of calculations, including the assumptions used in the estimations.	Not	Irrelevant
3.10	Explanation regarding the consequences of any restatements of information provided in earlier reports.	Not	N/A
3.11	Significant changes from previous reporting periods in respect of the report's scope, boundary or measurement methods.	Not	N/A
3.12	Table of contents	Complete	p 27
3.13	Policy and current practice with regard to seeking external assurance for the report.		
<b>4. Governance, commitments and engagement</b>			
4.1	The governance structure of the organisation, including any committees under the highest governance body.	Complete	p 8
4.2	Indicate whether the chairman of the highest governance body also holds an executive position.	Complete	p 8
4.3	For organisations with a unitary board structure: state the number of independent and/or non-executive members of the highest governance body.	Complete	p 8
4.4	Mechanisms for shareholder and employees to provide recommendations or direction to the highest governance body.	Not	Irrelevant
4.5	Link between compensation for members of the board of directors and (senior) management and the (CSR) performance of the organisation.	Not	N/A
4.6	Processes by means of which the highest governance body can ensure that any conflicts of interest are avoided.	Not	N/A

4.7	Process to determine the qualifications and expertise of the members of the board of directors in terms of steering the CSR strategy.	Not	N/A
4.8	Internally developed mission statements and codes of conduct that are relevant to the CSR performance, including their level of implementation.	Complete	p 6
4.9	Procedures of the board of directors to oversee the CSR performance, including the relevant risks and opportunities and compliance with international standards and principles.	Not	Irrelevant
4.10	Processes to evaluate the board of directors' own performance, especially its CSR performance.	Not	N/A
4.11	Explanation of how the precautionary principle is applied.	Not	N/A
4.12	Externally developed economic, environmental and social charters, principles or standards the organisation subscribes to.	Complete	p 6
4.13	Memberships of associations (such as sectoral associations) and (inter)national interest groups.	Complete	p 20
4.14	List of stakeholder groups relevant to the organisation.	Complete	p 12
4.15	Basis for identification and selection of stakeholders.	Complete	p 12
4.16	Approaches to stakeholders and frequency of contacts.	Complete	p 12
4.17	Reaction of the organisation to the main topics and issues raised during its contacts with the stakeholders.	Complete	p 12

#### STANDARD INFORMATION SECTION II: Management approach

G3 DMA	Description		
DMA EC	EC (economic) management approach	Partial	p 5
DMA EN	EN (environmental) management approach	Partial	p 5
DMA LA	LA (working conditions) management approach	Partial	p 5
DMA HR	HR (human rights) management approach	Not	N/A
DMA SO	SO (social) management approach	Not	N/A
DMA PR	PR (product responsibility) management approach	Partial	p 9

#### STANDARD INFORMATION SECTION III: Performance indicators

Economic			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other social investments, retained earnings and payments to capital providers and governments.	Partial	p 5
EC2	Financial implications and other risks and opportunities for the organisation's activities as a result of climate change.	Not	Not available
EC3	Coverage of the organisation's defined-benefit scheme obligations.	Not	N/A
EC4	Significant financial assistance received from the government.	Complete	p 5
EC5	Range of ratios of standard entry-level salaries and the local minimum wage at significant locations of operation.	Not	N/A
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Not	N/A
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Not	Irrelevant
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro-bono engagement.	Partial	p 6, p 7
EC9	Understanding and describing significant indirect economic impacts, including the extent of said impacts.	Not	Irrelevant

#### Environment

EN1	Total quantity of materials used by weight or by volume.	Complete	p 24
EN2	Percentage of materials used that are recycled input materials.	Not	Irrelevant
EN3	Direct energy consumption from a primary energy source.	Complete	p 22
EN4	Indirect energy consumption from a primary energy source.	Not	Irrelevant
EN5	Energy saved due to conservation and efficiency improvements.	Partial	p 22, p 23
EN6	Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives.	Partial	p 22, p 23
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Not	Irrelevant
EN8	Total water withdrawal by source.	Complete	p 23

EN9	Water sources significantly affected by the withdrawal of water.	Complete	p 23
EN10	Percentage and total volume of water recycled and reused.	Complete	p 23
EN11	Location and size of land owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas.	Not	N/A
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Not	N/A
EN13	Protected or restored habitats	Not	N/A
EN14	Strategies, current actions, and future plans for managing the impacts on biodiversity.	Not	N/A
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by the operations, by level of extinction risk.	Not	N/A
EN16	Total direct and indirect greenhouse-gas emissions by weight.	Complete	p 21
EN17	Other relevant indirect greenhouse-gas emissions by weight.	Complete	p 21
EN18	Initiatives to reduce greenhouse-gas emissions and reductions achieved.	Complete	p 21
EN19	Emissions of ozone-depleting substances by weight.	Complete	p 21
EN20	NO, SO and other significant air emissions by type and weight.	Complete	p 21
EN21	Total water discharge by quality and destination.	Not	Irrelevant
EN22	Total weight of waste by type and disposal method.	Complete	p 24, p 25
EN23	Total number and volume of significant spills.	Not	N/A
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and the percentage of transported waste shipped internationally.	Not	N/A
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff.	Not	N/A
EN26	Initiatives to offset the environmental impacts of products and services, and extent of this impact offsetting.	Not	N/A
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Not	Not available
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Not	N/A
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations and transporting members of the workforce.	Partial	p 22, p 23
EN30	Total environmental-protection expenditures and investments by type.	Not	N/A
<b>Social: Working Conditions and Decent Work</b>			
LA1	Total workforce by employment type, employment contract and region.	Complete	p 13
LA2	Total number and rate of employee turnover by age group, gender and region.	Partial	p 14
LA3	Benefits provided to full-time employees that are not available to temporary or part-time employees, by major operations.	Not	N/A
LA4	Percentage of employees covered by collective labour agreements.	Complete	
LA5	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	Not	N/A
LA6	Percentage of total workforce represented in formal joint committees of employers and employees that help monitor and advise on occupational health and safety programmes.	Complete	p 13
LA7	Rates of injury, occupational diseases, lost days and absenteeism figures and the total number of work-related fatalities by region.	Partial	p 13
LA8	Education, training, counselling, prevention, and risk-control programmes in place to assist workforce members, their families, or community members regarding serious diseases.	Not	N/A
LA9	Health and safety arrangements laid down in formal agreements with trade unions.	Complete	p 13
LA10	Average number of hours' training per year per employee by employee category.	Complete	p 16
LA11	Programmes for competence management and lifelong learning that support the continued employability of employees and assist them in managing the end of their career.	Complete	p 17
LA12	Percentage of employees receiving regular performance and career-development reviews.	Complete	p 17
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, social minority-group membership and other indicators of diversity.	Partial	p 8, p 18, p 19
LA14	Ratio of basic salary of men to women by employee category.	Not	Irrelevant

<b>Social: Human Rights</b>			
HR1	Percentage and total number of significant investment agreements that include clauses on human rights or that have been screened in terms of human-rights compliance.	0	
HR2	Percentage of major suppliers and contractors who have been screened in terms of human-rights compliance and any actions taken.	0	
HR3	Total number of hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees who have followed training.	Not	N/A
HR4	Total number of incidents of discrimination and actions taken.	Not	
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and any actions that were taken to support these rights.	Not	N/A
HR6	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the banning of child labour.	Not	N/A
HR7	Operations identified as having significant risk for incidents of forced or compulsory labour, and measures taken to contribute to the banning of forced or compulsory labour.	Not	N/A
HR8	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to the operations.	Not	N/A
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Not	N/A
<b>Social: Social indicators</b>			
S01	Nature, scope, and effectiveness of any programmes and methods that assess and manage the impacts of operations on communities, including the arrival, operations and departure.	Not	Not available
S02	Percentage and total number of business units analysed for risks of corruption.	Not	N/A
S03	Percentage of employees trained in the organisation's anti-corruption policies and procedures.	Not	N/A
S04	Actions taken in response to incidents of corruption.	Not	N/A
S05	Public-policy positions and participation in public-policy development, including lobbying.	Not	N/A
S06	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	0	
S07	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes.	0	
S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	0	
<b>Social: Product responsibility</b>			
PR1	Lifecycle stages in which health and safety impacts of products and services are assessed in view of their improvement and the percentage of significant product and service categories subject to such procedures.	Not	Not available
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their lifecycle, by type of result.	Not	N/A
PR3	Type of product and service information required by procedures and the percentage of significant products and services subject to such information requirements.	No	Not available
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcome.	Not	N/A
PR5	Client-satisfaction policy, including results of surveys measuring client satisfaction.	Not	Irrelevant
PR6	Programmes regarding adherence to laws, standards, and voluntary codes related to marketing communications, among which advertising, promotion, and sponsorship.	Not	Irrelevant
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, among which advertising, promotion and sponsorship, by type of outcome	0	
PR8	Total number of substantiated complaints regarding breaches of client privacy and losses of client data.	0	
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Not	N/A

## **GLOSSARY**

- RoHS: The term RoHS stands for Restriction of Hazardous Substances.  
It was designed to reduce the use of six substances across the electronic industry, among which lead.
- REACH: REACH is a system to register, evaluate and permit chemical substances that are produced in or imported into the European Union. The acronym 'REACH' stands for Registration, Evaluation and Authorisation of Chemicals. This regulation came into effect on 1 June 2007.
- CELMA: Federation of National Manufacturers Associations for Luminaires and Electrotechnical Components for Luminaires in the European Union
- VITO: Flemish Institute for Technological Research
- CPBW: Committee for Prevention and Safety at Work
- GRI: Global Reporting Initiative



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