

Sustainability Targets 2020





Products and innovations

Modules and targets	Targets 2020	Level of achievement	Progress status (year-end 2020)
<p>Product responsibility GF products support the customer in saving energy and reducing CO₂-emissions during its use phase.</p>	<p>GF provides CO₂-efficient and safe products to the customer.</p>	●	<p>All divisions place a strong focus on innovation and continuously work on developing new solutions that provide social (e.g. hygienic) and/or environmental (e.g. energy efficiency, GHG reduction, etc.) benefits to GF's customers.</p>
<p>Eco-design GF products are optimized with regard to their environmental friendliness, resource efficiency, and durability.</p>	<p>Systematic introduction of ecodesign measures in product development in order to promote energy- and resource-efficient products.</p> <p>Each division monitors its environmentally friendly products, which enable reduced energy consumption and/or CO₂-emissions.</p> <p>GF Piping Systems optimizes its products regarding their environmental friendliness, resource efficiency, and durability.</p> <p>GF Casting Solutions focuses on bionic design and lightweight construction.</p> <p>GF Machining Solutions joins the Blue Competence Initiative and reduces average energy consumption by 15% for Milling machines and by 20% for EDM machines.</p>	●	<p>GF's products and solutions offer a variety of social and environmental benefits to its customers and end-consumers. In 2020, 58% of GF's sales were attributed to products with such features. All divisions are committed to sharpening their focus on the sustainability of their products and solutions and forging partnerships along their value chains.</p> <p>As part of the Sustainability Framework 2025 development process, GF's divisions critically assessed their respective capabilities and processes to identify improvement potential and set realistic but ambitious goals for greater integration of sustainability into their product development activities. As part of this exercise, GF's management defined an overall vision for GF to become a sustainability and innovation leader. The targets for 2025 can be found in the chapter "Sustainability Framework 2025."</p>

Level of achievement:



Procurement and logistics

Modules and targets	Targets 2020	Level of achievement	Progress status (year-end 2020)
Procurement GF suppliers demonstrably comply with GF's Code for Business Partners for eco-friendly and socially responsible supply.	All key suppliers have signed the GF Code for Business Partners.		At year-end of 2020, almost 100% of GF's key suppliers had signed the Code of Conduct. The target has therefore been achieved.
	Systematically integrate sustainability aspects into supplier audits. At least ten audits focused on sustainability are carried out every year per division.		A number of pilot supplier assessments were conducted in 2020, as well as a sustainability risk evaluation of the divisions' commodity groups. Based on this experience, GF decided to invest in a standardized solution to evaluate the sustainability aspects of its suppliers. 84 such assessments were conducted in 2020, with further rollout to continue in 2021 and beyond. Over the course of the five-year period, a cross-divisional approach was defined to prioritize and select suppliers, to assess them, and to integrate the rating results into existing procurement processes.
Logistics GF optimizes its logistics in terms of energy consumption, emissions, and packaging.	Systematically measure and analyze key transport and environmental figures together with the most important transport service providers in Europe.		GF works closely with its logistics partners to evaluate and implement improvement measures. As in previous years, in 2020 the logistics teams of GF Piping Systems and GF Machining Solutions took steps toward greater transparency on the environmental footprint of the logistics network in areas where GF has a possibility of influence.
	Define and implement improvement measures together with transport service providers.		
	Reduce GF product deliveries by air freight by 20% worldwide.		Efforts are being made to continuously decrease the proportion of air transport. In 2020, the measures implemented by GF Piping Systems resulted in a 31% reduction of air freight shipments relative to its sales (thousands of kilometers per CHF 1'000 of sales) compared with the average for 2014-2015.

Level of achievement:



People and safety





Modules and targets ^{1,2}	Targets 2020	Level of achievement	Progress status (year-end 2020)
Accidents at work GF strives to reduce its severe accidents to zero and bring down the accident rate by at least 20% in every division by the end of 2020.	Zero severe accidents		Over the last three years, GF observed a continuous decline in the number of severe injuries, thanks to the efforts to reduce the incidence of work-related accidents. In 2020, there was an overall significant reduction of accidents, partially due to COVID-19-related measures. During the year under review, three severe accidents occurred compared with 16 in 2019. This represents an 80% reduction.
	Reduce accident rate by 20%		The accident rate decreased from the baseline of 14.0 accidents per one million hours of work to 7.9 accidents in 2020. This 44% decline was significantly better than the target rate. Efforts to establish a safety culture at GF will remain a high priority in the years to come.
	All companies comply with GF safety standards		As accidents still happened, GF is aware that additional measures are needed to ensure compliance with its safety standards. The GF Standards for Occupational Health and Safety, which were revised in 2019, provide up-to-date occupational health and safety information that serves as direction for GF locations to create safe and secure conditions for all employees and visitors. The document also ensures that the same rules are applied worldwide.
Safety audits GF regularly conducts cross-site safety audits in order to constantly improve its safety culture.	Cross-site safety audits are performed per production plant and warehouse at least once a year		As in the previous three years, in 2020, safety audits were conducted at a number of GF's production locations. The lessons learned were analyzed, and improvements were put in place. Over the past five years, cross-site-safety audits have helped foster a safety culture at GF and promoted cross-divisional exchange among the sites.
Employer responsibility GF strives to be an attractive employer to be able to attract talents, retain our high-performing employees, and develop our workforce. Furthermore, GF acts as a respectful and socially responsible employer.	GF recognized in its industry as an attractive employer		In 2020, GF was listed among the "Most attractive employers of Switzerland" for the fourth year in a row. Having partnerships with universities in Switzerland, Germany, the United States, and China, GF helps ensure that students and experienced professionals consider it an attractive potential employer.
	Fill 70% of vacant leadership positions with internal candidates		GF's various professional development programs helped it fill nearly 70% of vacancies in senior management in the period 2016–2020 with internal candidates. At year-end 2020, 69.57% of all senior managers came from within GF's ranks.
	Take action to increase and promote diversity in terms of gender, age, and origin		GF sees diversity as an important topic for the organization, especially in the context of boosting its innovation potential. It launched measures to promote greater flexibility at work and thus make GF more attractive, especially to younger employees and women. GF is also using targeted networks to strengthen career development opportunities for women in the organization.
Absences GF strives to lower the absence rate by implementing supportive measures.	Reduce absence rate by 10% across the organization		The absence rate increased in 2020 to 3.5% compared to the 3.2% baseline, owing in part to quarantines and other COVID-19-related measures.

¹ In order to provide newly acquired GF companies with a realistic timeframe for target achievement, those that commenced sustainability reporting after 2017 are not included in the calculation of the achievement of the Sustainability Targets 2020. Instead, they had individual targets.
² The target achievement graphs are shown in the section "Sustainability at GF" - "Key figures for 2020".

Level of achievement:



Environment and energy

Modules and targets ^{1,2}	Targets 2020	Level of achievement	Progress status (year-end 2020)
Energy GF production companies actively apply energy efficiency measures and define local targets in order to realize the Corporate goal of increasing energy efficiency by 10% in every division by the end of 2020.	Increase energy efficiency by 10%		Overall, energy efficiency was higher than the expected index target line. In the recent years, all three divisions continually improved in this KPI. The return on investment in new buildings and infrastructure and ongoing efficiency measures were the main factors. Over the last five years, the majority of GF sites increased their energy efficiency and contributed to the target achievement.
CO₂e GF strives to reduce its CO ₂ e emissions from production by at least 10% in every division by the end of 2020.	Reduce CO ₂ e emissions by 10%		GHG emission intensity in 2020 was below the index target line. The improvement reflected the purchase of green energy for GF Casting Solutions sites and the aforementioned increase in energy efficiency across the divisions. Over the last five years, the amount of green energy purchased has risen in parallel with the reduction in GHG emissions.
Materials and waste GF strives to reduce its non-recycled waste (i.e. waste sent to landfill or incineration) from production by at least 10%.	Reduce non-recycled waste by 10%		Technical problems in 2020 at one site relating to separation of a water-oil emulsion from production processes led to the emulsion's discharge as hazardous waste. This problem's significant impact prevented GF from meeting this target for the year. Overall, in 2020, GF recycled nearly 70% of its waste.
Water GF strives to reduce its volume of fresh water consumption in water-scarce and water-stressed areas by at least 10% in every division by the end of 2020.	Reduce fresh water consumption in water-scarce and water-stressed areas by 10%		In 2020, the six GF sites in water-stressed areas met their water-intensity target. Systematic screening of water consumption in production processes helped identify improvement measures and achieve the target on schedule.

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² The target achievement graphs are shown in the section "Our performance" - "Key figures for 2020".

Level of achievement:

