

# Sustainability Report 2013



## About this Report

### **Our Aspiration**

This report is the fourth Sustainability Report by Voith GmbH. We aim to keep our company's stakeholders updated once a year on the progress we are making in our fields of activity. These include Sustainable Management, Sustainable Profitable Growth, Environment, Product Responsibility, Employees, and Society. This report focuses on explaining our strategies, solutions, and measures as well as presenting our key figures.

### **Reporting Method**

The report is oriented toward the G3.1 Guidelines of the Global Reporting Initiative (GRI). According to our own assessment, the report meets Application Level A requirements. To determine the key sustainability topics for our report, we conducted materiality analyses in 2009 and 2010.

### **Reporting Period and Report Scope**

The Sustainability Report 2013 is based on fiscal year 2012/13, which at Voith starts on October 1 and ends on September 30 the following year. The deadline for content submission for this report was May 31, 2014. Unless otherwise stated, the facts, figures, and information in this report refer to the Voith Group as a whole with its global Group Divisions Voith Hydro, Voith Industrial Services, Voith Paper, and Voith Turbo. The degree of consolidation is 83.6% of the Group's sales and 86.98% of the Group's employees (= 42,482 employees at 92 sites) unless otherwise indicated in the report.

### **Data and Information Gathering**

Information was collected electronically upon written request. Data was recorded using division-specific software.

### **Comparability of Facts, Figures, and Information**

Certain figures were calculated for the first time for this report. This means that in specific cases a three-year trend cannot yet be presented, but it will be introduced in the future.

Owing to the new calculation bases, better quality data, and updated information, we needed to correct previous figures on the environment (such as emissions, energy consumption, water, and waste). There may be differences in the data totals as a result of rounding figures up or down.

### **Forward-looking Statements**

We would like to point out that all forward-looking statements in this report are based on current assumptions. Due to unknown risks, uncertainties, and other factors, the actual results, developments, or services of our company may deviate from our prognoses, evaluations, and statements.

### **Additional Comments**

For improved readability, we refrain from referring specifically to both genders in this report. This is not a value judgment and all forms are to be understood as gender-neutral. The term "service business" describes the business activity of the Group Division Voith Industrial Services. This Sustainability Report is available in German and English. Please visit our website at [www.voith.com](http://www.voith.com) and read our Annual Report for further and more extensive information.

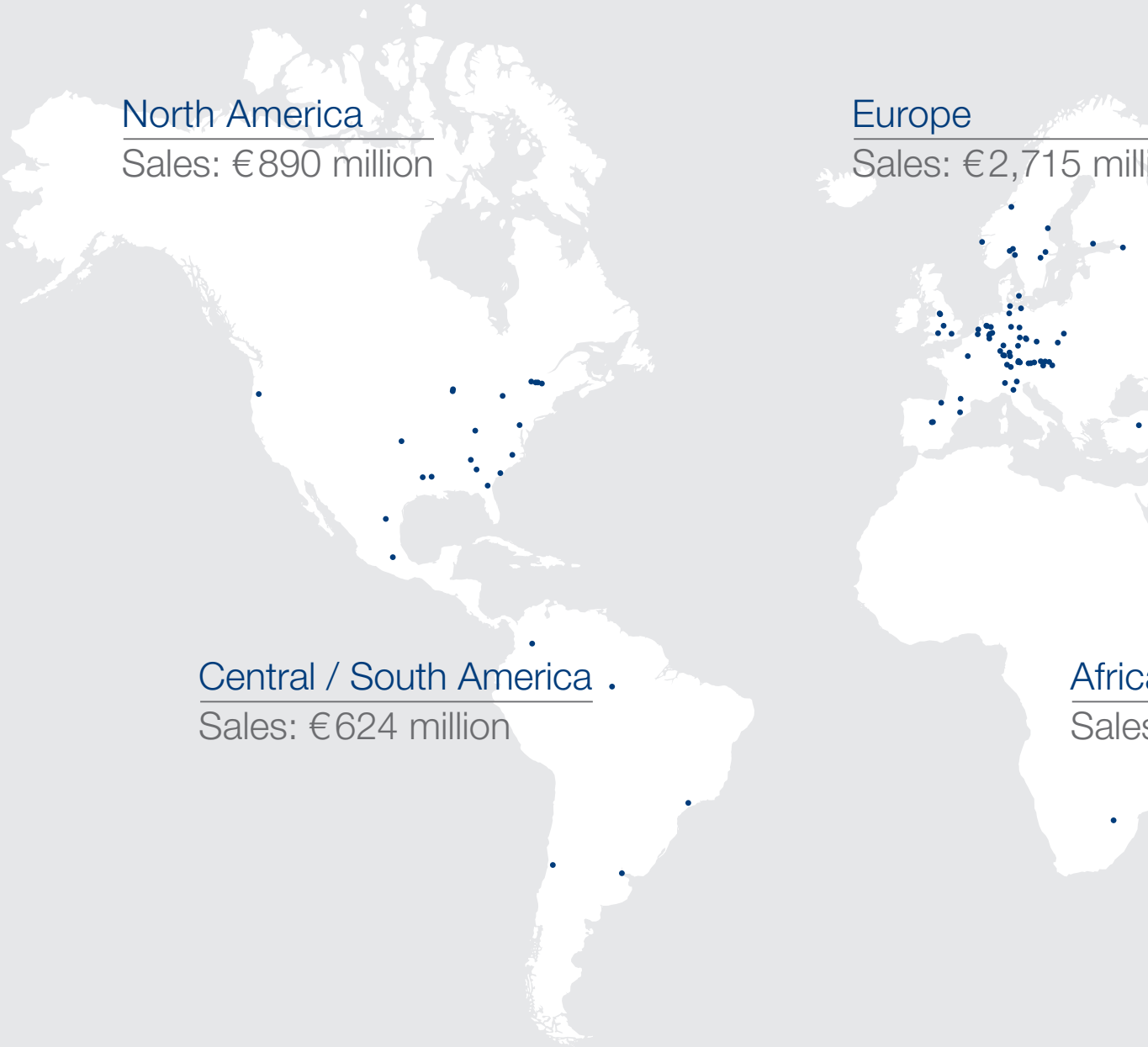
[We expect to publish our next Sustainability Report in the spring of 2015.](#)

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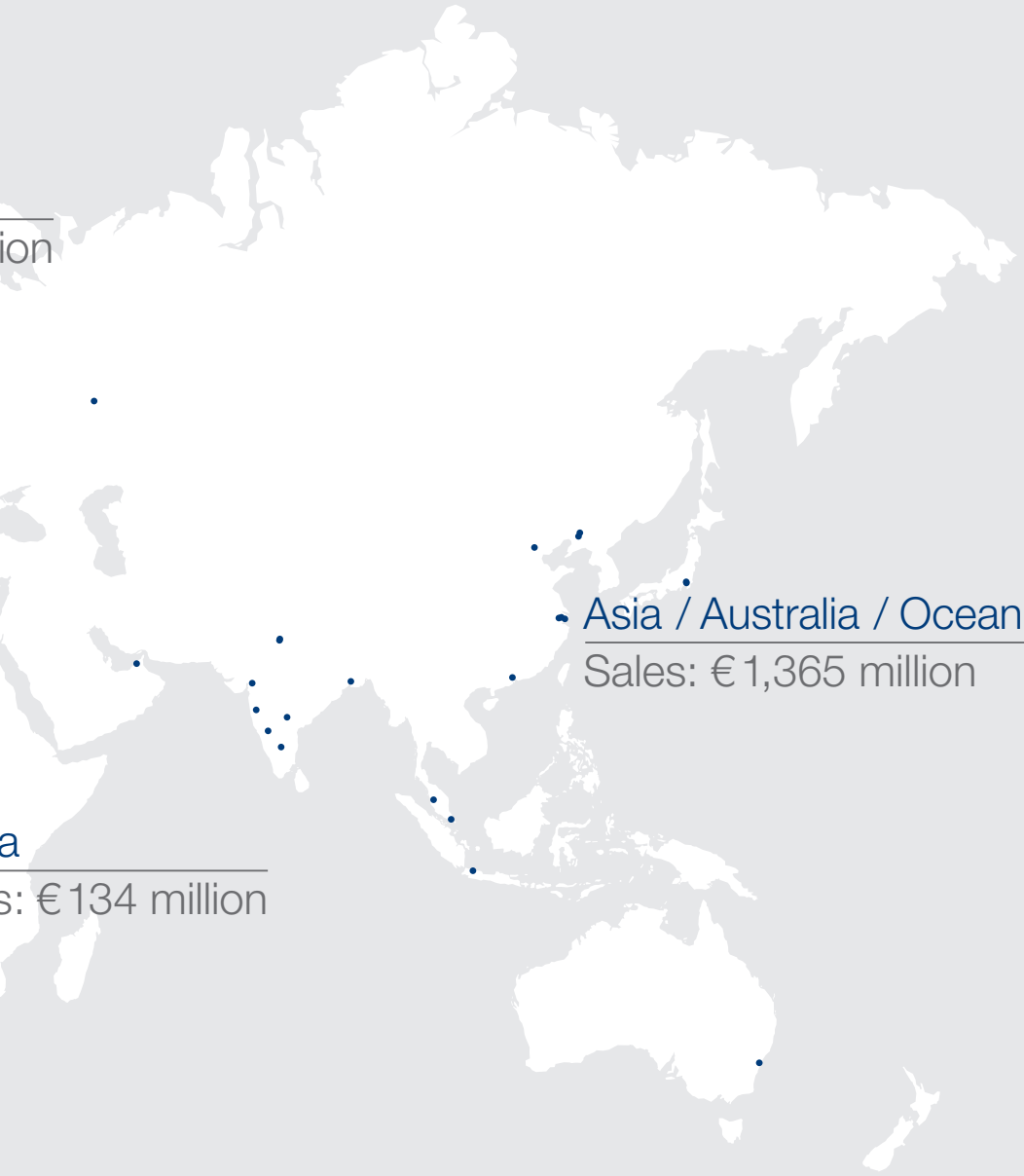
Our credo is this:  
Voith makes a measurable contribution  
to sustainable development.

Dr. Hubert Lienhard

# Voith Sites



Voith sites in fiscal 2012/13 with more than 20 employees.



ion

• Asia / Australia / Oceania  
Sales: €1,365 million

a  
s: €134 million

# Editorial



**Dear readers,**

In your hands you hold the fourth edition of our Sustainability Report. In the coming pages, you can read how we have established sustainability organizationally at our company and integrated it in our business processes. The report also offers you the opportunity to learn more about our approaches in the fields of activity that are important to us.

Our aspiration is to contribute to sustainable development. For us, this means creating added value for our company, the environment, our employees, and society with our products and services as well as projects and initiatives. This report will show you the progress Voith has made in meeting this aspiration in the areas of sustainable corporate governance, the environment, products, employees, and society in fiscal year 2012/13. For example, on pages 29 to 33 we show you some of our innovative products with environmental added value. You will find an overview of all key figures and targets at the end of the report starting on page 49.

As the new Head of the Corporate Sustainability central function, I hope to continue to drive these developments forward, and I hope you will accompany us on this path.

Sincerely yours,

A handwritten signature in blue ink that reads "Torsten Kallweit". The signature is written in a cursive, flowing style.

Torsten Kallweit, Head of Corporate Sustainability

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# Foreword



**Dear ladies and gentlemen,  
Dear friends of Voith,**

The following pages show how we have progressed on our path toward more sustainable management in the past fiscal year. However, they also clearly indicate the areas in which we still have work to do – areas where we need to do more and where we want to improve further.

As a family-owned company, sustainable management and business success are inextricably linked at Voith. Since the days of our founder Friedrich Voith, who made sustainable thinking a crucial aspect of his entrepreneurial considerations – at a time when the term “sustainable” didn’t yet even exist – by founding the first health fund in Germany and establishing the first internal training schools, thinking in sustainability categories has become a significant part of the corporate responsibility of our company.

Today, nearly 150 years after our founding, this aspiration to sustainable management continues to be an important component of who we are. It goes hand in hand with the focus of our organization on sustainable management in our six defined fields of activity, which include – in addition to sustainable management and the pursuit of profitable growth – product responsibility, employee responsibility, social responsibility, and environmental responsibility.



The objective of this fourth Voith Sustainability Report is to show how we create a measurable added value economically, environmentally, and socially with our Group-wide initiatives and projects. To this end, you will find many specific examples and achievements in the six fields of activity in the following pages.

We made some progress in 2013 toward the goals we set for ourselves. One goal that we had hoped to achieve sometime in the next three years – a reduction in fresh-water consumption – has already been achieved, and much sooner than expected. We now want to maintain what we have achieved and improve further. In other fields we must redouble our efforts and continue to work hard.

Now when we talk about sustainability at Voith, we're talking about sustainable management in more than 250 locations around the world in over 50 countries. As an international company with German roots, our aspiration is to implement our global strategy everywhere locally in accordance with the needs and requirements of the region.

This report focuses on South America. In 1964, Voith opened its first Latin American branch in Brazil. Today, 50 years later, Voith is a local company in Brazil. In our 50th anniversary year in Brazil, we are successfully represented in the country with all four divisions, and we are more convinced than ever of the relevance and long-term significance of this region. We are a solid part of the economic community and a responsible corporate citizen. For example, Voith has for many years provided training in Brazil using the German dual-training model, has its own foundation there, and supports a school that bears the name of our founder, Friedrich Voith.

We will not let up in our efforts – not only in Brazil but all around the world. It remains a stated goal of management to make Voith a benchmark for our industry in the area of corporate sustainability.

I hope you enjoy reading this report.

Yours sincerely,



Dr. Hubert Lienhard



Being established in all regions of the world and knowing its local markets is part of the corporate success of Voith. With more than 48,000 employees, we are represented in more than 50 countries on all continents. Voith has been active in Brazil with its own subsidiaries and production facilities since 1964. In 2010, we opened a new plant for manufacturing water turbines in Manaus in order to benefit from the rising energy needs in the Northern part of the country. Today, we are successful with all four Group Divisions in Brazil. We employ more than 5,700 employees at two production and two distribution sites.

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# 01 Sustainable Management

Voith is a globally active technology group. With its portfolio of investments, products, and industrial services, the company serves five essential markets: Energy, Oil & Gas, Paper, Raw Materials, and Transport & Automotive. With our understanding of sustainability, we carry on the tradition and style of the Voith family-owned company: the obligation to conduct environmentally compatible, clean and fair business with long-term success.

## 1.1 Group Portrait and Business Situation

Voith is represented as a global technology group in more than 50 countries and maintains a worldwide network of production, service, and distribution locations. Voith GmbH, headquartered in Heidenheim an der Brenz (Germany) is the operational management holding company for the Group. The Board of Management of Voith GmbH is responsible for the Group's strategic management and operations. The Shareholders' Committee and Supervisory Board act as advisory and supervisory bodies. The Supervisory Board also monitors the Board of Management. Founded in 1867, Voith is one of the largest family-owned companies in Europe today. Voith breaks its operational business into four Group Divisions: Voith Hydro, Voith Industrial Services, Voith Paper, and Voith Turbo. The Group Divisions are each managed by legally independent management companies.

### Business Situation

Fiscal year 2012/13 was characterized by difficult conditions as a result of ongoing global economic uncertainty and instable financial markets. As a result of high order entries over the last year, Group sales remained stable compared to the year before at €5.7 billion. Voith Hydro and Voith Industrial Services recorded an increase of 6% and 8%, respectively, while Voith Paper and Voith Turbo posted a sales decrease of -6% and -3%, respectively.

Voith posted a net profit of €63 million (previous year: €114 million). Regionally, Voith generated 27% of Group sales in America, of which 16% was in North America and 11% in South America. The remaining sales came from Asia (23%) and the rest from Europe (27%). The business in Germany was 20%.

In the reporting period, Voith had 43,134 full-time positions (full-time equivalents, excluding trainees) and employed 48,845 people. This represents an increase in positions of 2% over the previous year.

### Developments in the Group Divisions

As a full-service provider of hydro power plant equipment, Voith Hydro is one of the leading partners for hydro power worldwide. This business area, with its 5,323 employees, contributed 24% (previous year: 23%) to sales in fiscal year 2012/13.

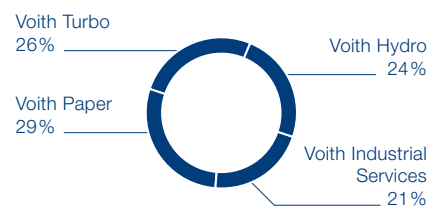
There are 21,032 employees at Voith Industrial Services. The service provider for key industries ranging from automotive, energy, chemicals, and petrochemicals to mechanical engineering and

### Annual Report

Page 64 ff.

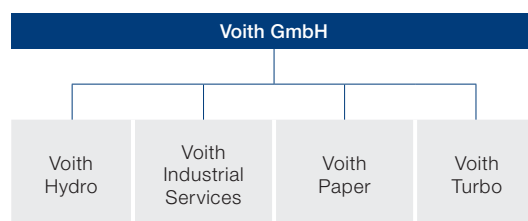
### Total Sales 2012/13 € 5,728 million

#### By Business Divisions

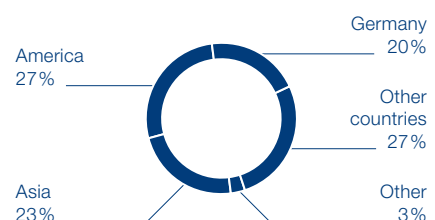


### Organizational Structure

#### Voith Group Business Divisions



#### By region



aerospace posted a sales share of 21% (previous year: 19%).

As a system provider for the paper industry, Voith Paper offers technologies, products, and services for the entire paper manufacturing process. Its share of Group sales during the reporting period was 29% (previous year: 30%).

At 26% (previous year: 27%), the share of Voith Turbo remained almost the same as last year's level. The division, which produces drive solutions as well as technical systems and components, employed 6,485 people.

At Voith headquarters, there were 1,071 employees. All data correspond to full-time equivalent positions.

**Strategy of Long-term and Profitable Growth**

At Voith, we pursue a long-term corporate strategy focused on long-term, profitable growth based on four pillars: a balanced product portfolio, our global presence, strong innovation, and financial

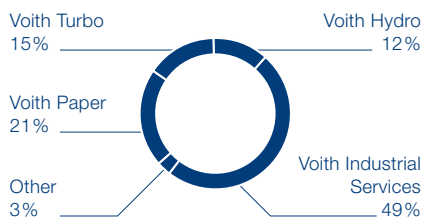
independence as a family-operated company. Starting with our original core business – machine and plant construction – we have expanded our product and service portfolio in recent years and established ourselves in our key markets: Energy, Oil & Gas, Paper, Raw Materials, and Transport & Automotive. Our positioning makes it possible for us to absorb numerous economic risks: it is easier for us to compensate for sales losses in the late-cycle markets (Oil & Gas, Raw Materials, and Energy) with growth in the early-cycle markets (Paper, Transport & Automotive) – and vice versa.

We want to be represented with development and production sites in key growth regions of the world so we can supply each market locally and advise market actors. We do this through regional value creation, as in addition to management and supply chains we are also making increasing use of local financing sources. Voith aims to be as deeply rooted in its international markets as it is in its German locations.

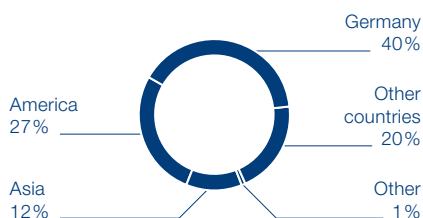
Our economic success is also based on our innovative capabilities. In fiscal year 2012/13, we invested €242 million (previous year: €267 million) in research and development (R&D). Measured as a percentage of Group sales, the R&D ratio was 4.2% (previous year: 4.7%).

**Employees 2012/13 total 43,134**

By Business Divisions



By region



## 1.2 Sustainable Management

### Duty to Conduct Sustainable Business

With our concept of sustainability, we are carrying on the tradition of Voith, a family-owned company, which includes the obligation to conduct environmentally compatible, clean, and fair business with long-term success. Based on the minimization of business and corporate risks, we want to increase our operational efficiency – for example, by reducing the use of resources or by retaining qualified staff. With its resource-efficient products and services, Voith seeks to generate environmental and financial added value for its customers.

With this concept we strive also for a leading position regarding sustainability in our markets and industries.

Our credo is this: Voith makes a measurable contribution to sustainable development.

### Management and Organization

We have defined six fields of activity that we use as a basis for integrating sustainability into the

Group. These include, alongside sustainable corporate governance and the pursuit of profitable growth, the four areas responsibility for our products, for the environment, for our employees, and for society. We have linked each field of activity to concrete measures with specific target dates (see Goals and Goal achievement).

At Voith, sustainability is a cross-functional responsibility shared by our Corporate Board of Management, Group Divisions, and Corporate Departments.

The Corporate Sustainability central function provides the framework for the strategic focus and organization of sustainability at Voith, advises the companies and Corporate Departments, and further develops sustainability as a theme. The central function reports directly to the Chairman of the Corporate Board of Management. It defines methods and tools for measuring and controlling the activities of the Group, such as the sustainability database. In addition, the areas of Environment,

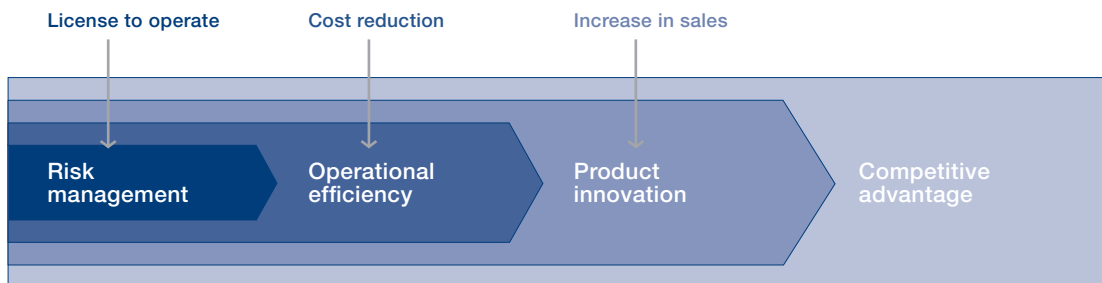
#### Changes and risk

Annual Report 2013

#### Sustainability Fields of Activity

Sustainability Report 2012, Page 12

### Sustainability Development Path



Health and Occupational Safety, and the Corporate Sustainability Office report directly to the head of this area.

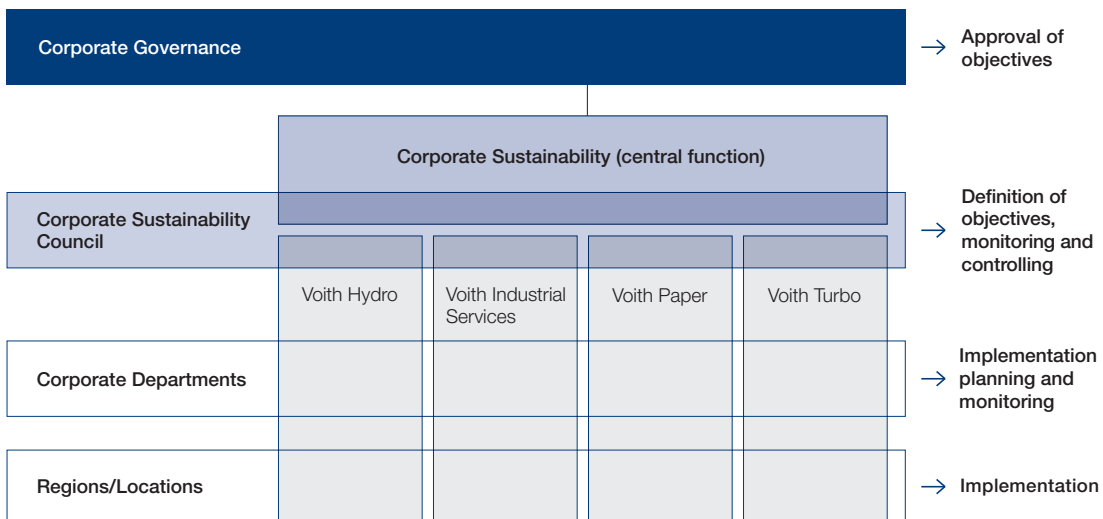
During the reporting period, a working group comprised of various members of the top management, was established with the task of developing proposals for the future focus, strategy, and KPIs for controlling the management of sustainability. The results were presented to the Chairman of the Board of Management in autumn 2013. The working group will continue to function on a consultative basis.

The Corporate Sustainability Council (CSC), which is comprised of the sustainability managers from the Group Divisions, functions as the central control body. It prepares the bases for decisions and reports directly to the Group Board of Management. In its controlling and monitoring function, the council monitors the operational implementation of strategies, goals, and measures in the Group Divisions and is responsible for the process of data

collection. Implementing measures is the responsibility of the Group Divisions and the corporate departments (for example, HR and Purchasing).

Voith collects relevant environmental data, material indicators, and selected employee data in a sustainability database. This database is based on internal guidelines and the requirements of the Global Reporting Initiative (GRI). The operating units or sites are responsible for collecting the data; the data is analyzed in our Group-wide management reporting tool (MRT) and the integrated database. Most data is collected annually, while waste and water data are collected quarterly and energy monthly.

## Organization Sustainability





## 1.3 Values and Compliance

### Voith – Engineered Reliability

Our actions are based on trust. This is reflected in our values: professionalism, respect for the individual, helpfulness toward colleagues, openness, reliability, and integrity. This self-conception is summarized in our slogan “Voith – Engineered Reliability”. Voith seeks to provide reliable and high-quality technologies and acts fairly, openly, and reliably in dealings with its employees, partners, and customers. We want to retain those employees who meet our performance aspiration at Voith over the long term. We maintain partnerships with our business partners, customers, and suppliers that frequently last for generations. Our values form the foundation on which the Voith brand is built and the core of our corporate identity. With our values, and the guidelines derived from them, we ensure that Voith acts according to the same business principles and adopts the same philosophy worldwide. In this way, we combine the culture of a family-owned company with that of a global player.

### Code of Conduct

<http://voith.com/en/group/compliance-187.html>

### Code of Conduct

The Voith Code of Conduct defines conduct with customers and business partners as well as the interaction with one another at the company. We expect each of our employees to comply with the applicable laws and our own internal guidelines (compliance). This applies Group-wide and for all hierarchy levels. Violations will result in sanctions. The rules and procedures are constantly updated and adapted to current requirements. The key aspects of the Voith Code of Conduct are:

- Compliance with the rules of fair competition

- No agreements that contravene competition law.
- No corruption or bribery: no offering and granting or demanding and accepting unfair benefits.
- Transparency of donations and sponsorships.
- Maintaining own and respecting third-party company and patent secrets.
- No undue preferential treatment of suppliers and service providers.

### Compliance Organization and Training

The Compliance Committee is responsible for setting up, developing, and coordinating the Voith compliance program and for reviewing the compliance regulations and coordinating training. The Compliance Committee comprises the respective heads of the Corporate Office (Chairman), Corporate Law, Corporate HR Management, and Group Audits. The Chairman of the Committee reports directly to the Chairman of the Voith GmbH Board of Management. In accordance with Voith's other risk management organization, the Chief Financial Officers (CFOs) of our Group Divisions and our individual Group companies serve as the respective compliance officers in their units. They are responsible for implementing the Voith compliance organization in their areas. The compliance officers are responsible for the implementation of the Code of Conduct in the individual Group Divisions in their area of responsibility and also serve as Group-wide contact partners.

Every employee is obliged to report a suspected violation of the Voith Code of Conduct. They can report a violation to their direct supervisor or the compliance officer of the respective Group Division,



as well as electronically via the help desk or by e-mail. We follow up complaints that have been submitted anonymously via a Group-wide whistleblower system. The number and type of violations are documented centrally.

Our management system for information technology and security is certified according to the international standard ISO/IEC 27001. In addition, the certification of our compliance management

system based on the IDW EPS 980 standard was completed during the fiscal year.

Voith requires all employees to update their knowledge of compliance issues via e-learning programs on a regular basis. By the end of fiscal year 2012/13, around 38,000 employees had participated in compliance training. Thus, 93% of all Voith employees have completed the e-learning. On-site training is also planned.

## 1.4 Stakeholder Dialog

At Voith, we are confronted with different needs and expectations that are placed on the company by stakeholders. Among our most important stakeholders are the owners and supervisory committees, employees, the works council, customers, suppliers and investors, neighboring communities, economic associations and academia, government agencies and politicians, NGOs, and the general public. We are in contact with our stakeholders on various issues. From October 23 to November 15, 2013, we conducted a stakeholder survey in order to identify expectations and requirements of corporate responsibility at Voith. The survey was completed by 1,044 participants from 43 countries. We will analyze the responses in fiscal year 2013/14 and publish the results in the Sustainability Report 2014.

We exchange ideas on topics specific to our technology and industry in professional associations.

Voith is a member of, among others, the German Engineering Federation (Verband Deutscher Maschinen- und Anlagenbau e.V. – VDMA), the German Association for Materials Management, Purchasing, and Logistics (Bundesverband Materialwirtschaft, Einkauf und Logistik e. V. – BME/ AMMPL), the German Industrial Services Association (Wirtschaftsverband für Industrieservice e.V. – WWIS), and the International Hydropower Association (IHA). Voith also works in industry associations – for example in the German Committee of Standards Users (Ausschuss Normenpraxis – ANP), the German Railway Industry Association (Verband der Bahnindustrie in Deutschland e. V. – VDB), and the German Aerospace Industries Association (Bundesverband der Deutschen Luft- und Raumfahrtindustrie e. V. – BDLI). Voith is in regular contact with NGOs on environmental and social issues, such as the World Wide Fund For Nature (WWF).

## 1.5 Supplier Management

In fiscal year 2012/13, our purchasing volume was €3.2 billion (previous year: € 3.3 billion). Voith worked together with suppliers from 77 countries. The three largest groups of goods purchased as production materials, measured in euros, were electrical/electronics, cast parts, and semifinished goods/steel. In terms of global regions, Europe accounted for 58%, America for 28%, and Asia for 14%.

Our drive for sustainable business practices also involves our suppliers. We have worked with many of them in a long-term partnership based on trust. Voith uses various tools, such as guidelines and standards, internal and external evaluations, and employee training to firmly establish the sustainability of the supply chain. During the reporting period, we integrated environmental and social criteria in the evaluation of our partners.

The assessment and steering of suitable suppliers is conducted via our central database (SupplierManagement@Voith). For example, we ensure that our purchasing departments have access to key supplier information. Over the long term, this allows us to minimize financial and reputational risks and create transparency in the supply chain.

Social and environmental aspects have been integrated in our General Purchasing Conditions, supplier self-assessments, evaluations, and audits. Corresponding criteria are being entered into the database.

### **Standards in Business Relationships**

Our idea of partnerships and our specifications on compliance as well as environmental and social standards are established in the Code of Conduct and in the General Purchasing Conditions (GPC). It is stipulated that the review, awarding, and processing of a contract must be handled transparently by the Group. Our suppliers must comply with all legal provisions on environmental protection and labor law and may not tolerate bribery, corruption, or child or forced labor. Our GPC generally form the legal basis for a partnership when a business relationship is concluded. If the business terms and conditions of our suppliers apply in individual cases, adequate information and verification of our requirements should supplement these.

Suppliers can complete a self-assessment regarding environmental and social standards. To date, self-assessments have been voluntary. This process was restructured during the reporting period with the goal of increasing the supplier self-assessment rate – similar to the supplier evaluation – to 80% of purchasing volume in fiscal year 2013/14.

### **Sanctions against Violations**

A violation by a partner may lead to termination of the business relationship. If suppliers do not comply with our specifications, we send a warning and request improvement. If a supplier does not make the improvement within a specified time period despite several warnings, the business relationship should be terminated and the supplier blocked. During the reporting period, we developed our “Blocked

Supplier Concept” for blocking suppliers (formerly known as “blacklisting”). It will be implemented Group-wide in fiscal year 2013/14.

### **Internal Supplier Evaluation**

In addition to supplier self-assessments, internal supplier evaluations, which are stored in the central database, are among our most important steering tools. Our employees are required to evaluate suppliers with the highest sales totals at least once a year. Of the 32,500 companies that received orders from us in fiscal year 2012/13, we reviewed 5,861 companies in 8,279 transactions. Assessed suppliers equaled 76% (previous year: 72%) of our total purchasing volume during the reporting period, allowing us to reach our target.

In fiscal year 2012/13, we integrated social and environmental criteria in our evaluations. The “sustainability ratio” is comprised of internal and external requirements that are also included in the assessment in equal proportion. At an average of 80 out of 100 evaluation points, the partners we evaluated during the reporting period already largely meet our requirements. Social and environmental criteria currently represent 10% of the total evaluation of a supplier.

### **Local Purchasing**

With our “local for local” strategy, we pursue the goal of increasing our regional purchasing volume. By doing so, we reduce costs and decrease transport-related CO<sub>2</sub> emissions. We procured the vast majority of products from local suppliers at the locations

with the greatest purchasing volume (Heidenheim, Kunshan/Shanghai, and São Paulo) during the reporting period.

### **Audits, Certifications, and Training**

Information on quality, environmental, and occupational safety management is of particular interest for us. Our suppliers can provide the respective proof of their processes, systems, and products through internationally recognized standards and certificates (ISO 9001, ISO 14001, ISO 50001, EMAS, OHSAS 18001, SA 8000, etc.). The review of the certificates is carried out during audits whenever necessary. Suppliers who do not have the respective certificates should be visited on-site by Voith employees who inspect the quality of processes, systems, and products. The priorities and frequency of these visits are defined at the Group Division level and adjusted when necessary; we are working on centralized collection.

Our employees are regularly trained in supplier self-assessment and evaluation, visit reports, and compliance with laws and directives in the “Purchasing Training School”. The number of participants and total number of hours are recorded in our HR database.



Brazil is characterized by quick economic growth that is associated with increasing environmental pollution. This is particularly noticeable in cities such as São Paulo, where Voith has a large site. That is why we want to make a contribution to environmental protection locally: we use recycled water from our own treatment facility for cooling purposes at our foundry, thus saving 25,000 cubic meters of freshwater annually. By using recycled wood for packaging, we consume 264 fewer metric tons of wood annually. Thanks to a new dust-removal plant, we have reduced our hazardous emissions and ensure that exhaust is cleaner.

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## 02 Responsibility for the Environment

We create a measurable added value for Voith by combining economic principles and environmental aspects. In doing so, we pursue the goal of minimizing our impact on the environment across the entire value chain on an ongoing basis.

## 2.1 Management Approach

As a globally active technology corporation, the efficient use of resources and energy is one of the central aspects of our corporate responsibility. Our environmental activities not only contribute to the achievement of our global climate goals – it also creates measurable added value for Voith. In doing so, we combine economic aspects with environmental considerations.

In developing Voith into a sustainable company in the area of the environment, we pursue three main goals:

- Eco Standards provides strategic and operational support for Voith’s business units and sites in implementing and complying with environmental regulations and internal environmental protection policies.
- Ecological Business Management improves energy and resource efficiency at our production and service locations, taking account of cost effectiveness. The activities are characterized as resource management.
- Eco Technologies promotes the competitiveness of our products through analysis and assessment of Voith products and services with respect to energy and resource efficiency.

The Group Management Board defined three central goals for resource and environmental protection on the basis of fiscal year 2011/12: Voith intends to reduce its energy needs by 20%, volume of waste by 25%, and freshwater usage by 10% as a percentage of sales by fiscal year 2017/18.

### Organization and Standards

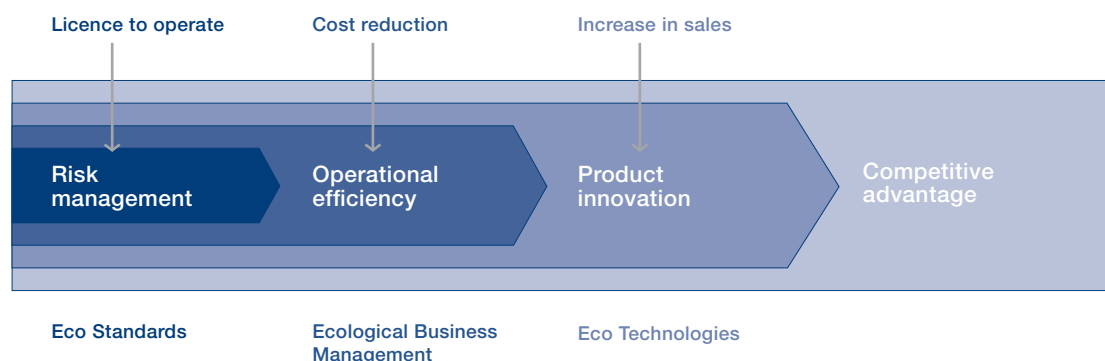
The central Corporate Environment department is responsible for all environmental activities in the Group. It operates as a part of Corporate Sustainability and reports to the Chairman of the Corporate Board of Management. The environmental organizations in the Group Divisions help our sites to implement tasks and measures related to the environment. They report to the relevant Group Division’s Board of Management. All Group-wide relevant data on health and occupational safety and environmental protection are recorded in our reporting tools, which are used to track key figures and goals. We are guided in this by the standards ISO 14001 and OHSAS 18001.

There have been binding environmental standards for the entire Group at all levels in the value chain since 2003. We updated these standards in 2012 in the form of the Group directive “Environment”. Our seven environmental guiding principles are a part of this directive.

### Environmental principles

<http://voith.com/en/group/sustainability/environment-607.html>

### Sustainability Development Path



## 2.2 Resource Management

In recording and controlling the used resources, Voith focuses on the energy, waste, and freshwater at its production and service locations. We determine savings potential and implement measures for the efficient use of resources. As a globally active technology corporation, the vast majority of the energy used and greenhouse gases emitted at Voith come from production, and a much smaller share from our service locations. Ecological Business Management therefore focuses on identifying ecological and economic improvement potential in our production processes. Our resource management activities include:

- Conducting input-output analyses at the process, equipment, and component levels to identify cost-efficiency potential.
- Development of hot-spot analyses of cross-location topics, such as the energy consumed during a process step, the water used by a piece of equipment, or the volume of a waste fraction.
- Tracking of goals achieved via integrated monitoring of key figures and development of measures.

During the reporting period, we conducted workshops on the energy efficiency of machine tools at our locations in Heidenheim, St. Pölten, Crailsheim, and Garching, as well as energy saving workshops and inspections at our nine service locations in Germany.

Voith also developed the “Quick Checks” tool during the reporting year, with which it can assess the energy saving potential and cost effectiveness of our locations as well as those of our customers. We further developed the EBM method using new tools and an EBM toolbox.

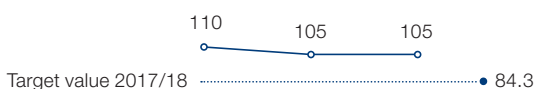
### Energy

As a result of the business situation, Voith consumed 601,198 MWh, or 0.4% less energy at its production and service sites in fiscal year 2012/13 than in the previous year (603,369 MWh). This corresponds to approximately 105 MWh per € million in sales – the same as last year. Thus, we are not closer to our goal of reducing energy needs by 20% by fiscal year 2017/18.

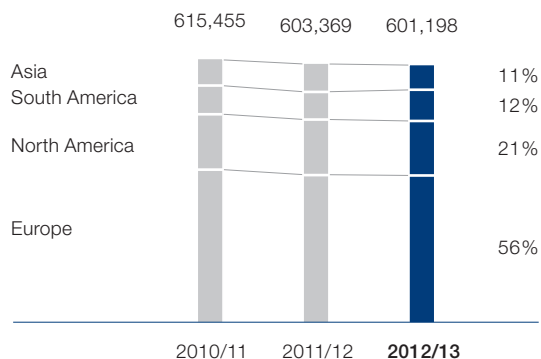
The proportion of direct and indirect energy remained almost the same: around 32.7% (or 196,747 MWh) from direct energy and around 67.3% (or 404,451 MWh) from indirect energy. The regional breakdown of energy consumption shows that Europe, at 56%, makes up more than half of global production-related energy consumption, followed by North America at 21%. The figures for South America and Asia are 12% and 11%, respectively. Electricity is the dominant source of energy in the latter two regions, at 81% and 69%, respectively. The ratio of electricity to other energy sources in North America and Europe is more balanced, at 52% and 43%, proportionately.

### Production-based Energy Consumption

Specific value in MWh/€ million in sales



In MWh





**Detailed information**

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While the regions in Europe and North America recorded a decline in energy-related consumption compared to last year of 7,128 MWh and 2,868 MWh, respectively, consumption in South America and Asia increased over the same period by 4,318 MWh and 3,618 MWh, respectively. The increases are largely the result of increased production capacity of the foundry in São Paulo and the expansion of production at the Kunshan location.

**Detailed information**

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At the same time, we saved 5,098 MWh of energy and approximately 1,679 metric tons of CO<sub>2</sub> compared to last year thanks to the optimization of production processes and the environmentally conscious actions of our employees.

The key energy sources of our direct production-related energy consumption were natural gas (156,500 MWh), liquefied petroleum gas (14,065 MWh), heating oil (13,958 MWh), and diesel (12,075 MWh). We use natural gas, liquefied petroleum gas, and heating oil as heating fuel and for heat-intensive thermal processes. Diesel

is needed to operate emergency generators and steam generation at the Karanwang location.

The energy sources of our electricity mix obtained from external providers are comprised of 72% non-renewable and 28% renewable resources. Remarkably, the proportion of renewable energies of the electricity supply in South America is 80% and in Europe 27%. In North America (4%) and Asia (2%), the proportions of renewable energies are negligible.

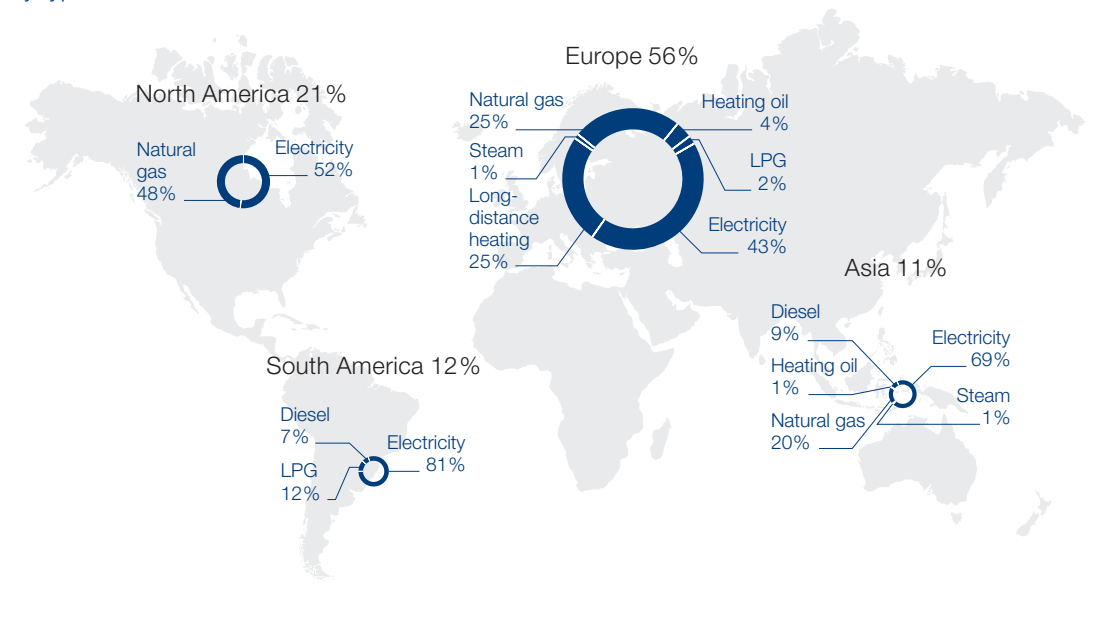
**Emissions**

**Emissions of the Voith Locations**

The CO<sub>2</sub> emissions at our locations rose in fiscal year 2012/13 by 1.1% to 185,350 metric tons (previous year: 183,370 metric tons). The proportion of direct CO<sub>2</sub> emissions fell from 43,369 metric tons to 42,337, or by 2.4%. This is largely due to the decrease in production at the Heidenheim location. By contrast, indirect CO<sub>2</sub> emissions increased to 143,013 metric tons (previous year: 140,002 tons). This is largely the result of a rise in energy consumption as a result of increased production capacity at

**Regional Breakdown of Energy Consumption 2012/13**

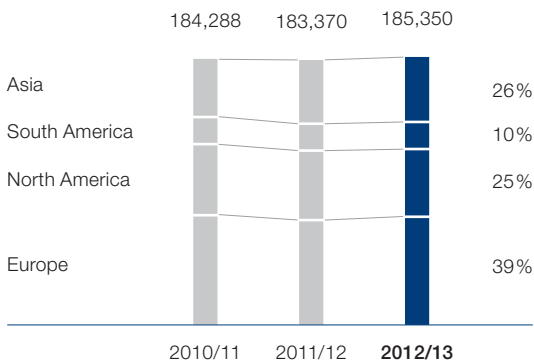
By type





## Production-based Greenhouse Gas Emissions

In t CO<sub>2</sub>



the foundry in São Paulo and the expansion of production at the Kunshan location.

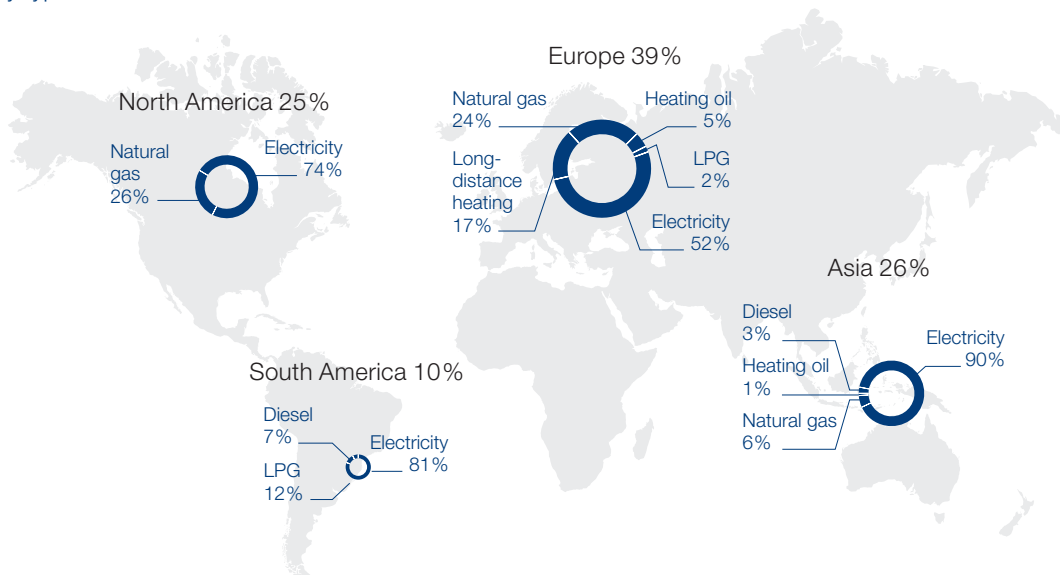
The regional breakdown of absolute CO<sub>2</sub> emissions shows that, at 39%, the majority are emitted in Europe. This is primarily because of the high number of Voith locations in this region. North America generates 25% of emissions, and Asia 26%. A significant reason for this is the

high proportion of energy generated from coal in both regions. With only 10% of absolute CO<sub>2</sub> emissions, South America benefited from a high proportion of renewable energies (80%) used to produce energy.

In terms of sales, our locations in North America produced fewer emissions, with a total of 52 metric tons of CO<sub>2</sub> per € million in sales than the year before (55 metric tons of CO<sub>2</sub> per € million in sales). At 37 metric tons of CO<sub>2</sub> per € million in sales (previous year: 31 metric tons of CO<sub>2</sub> per € million in sales), the proportion at our Asian locations rose significantly, while Europe remained at the same level as the previous year (27 metric tons of CO<sub>2</sub> per € million in sales). While the values for Asia and Europe were largely the result of high regional sales, the values for South America reflect the high proportion of hydro power in the electricity mix. The corporate group emitted 30 metric tons of CO<sub>2</sub> per € million in sales (previous year: 32 metric tons of CO<sub>2</sub> per € million in sales) during the reporting period.

## Regional Breakdown of CO<sub>2</sub> Emissions 2012/13

By type



**Detailed information**

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We record our CO<sub>2</sub> emissions by location in our database. If no other information is available, we use the emission values of the electricity provider or the country.

**Emissions from Transport**

A not insignificant proportion of emissions at Voith as an international corporation come from the transport of goods and from business travel.

At 37,629 metric tons (previous year: 37,240 metric tons), transport-related CO<sub>2</sub> emissions are at about the same level as last year.

During the reporting period, 31,789 metric tons (previous year: 33,988 metric tons) of CO<sub>2</sub> were emitted as a result of business trips. The largest drivers were cars, at 18,020 metric tons (previous year: 17,965 metric tons), and long-haul flights, at 13,220 metric tons, a decrease of 2,085 compared to the previous year. Voith avoids business travel where this is possible and reasonable. Video and teleconferences are increasingly being used at our global organization in order to save on travel expenses and allow for coordination at short notice.

Voith tracks its greenhouse gas emissions centrally and calculates them using the formula emission factor multiplied by distance in kilometers. We calculate the fuel consumption of our company cars in German-speaking countries using fuel cards. In other regions, we record fuel consumption of the individual sites in our sustainability database.

**Practical Examples**

In fiscal year 2012/13, we implemented the following activities:

- By installing ventilation systems with heat recovery at two locations, we reduced our annual energy consumption: by 425,000 kWh in Sonthofen and by 385,000 kWh in Frankenmarkt.

- By turning off the heating system during the summer months, Voith will save 460,000 kWh at its Heidenheim location in the future.
- By installing LED lighting in workshops at the German locations Heidenheim, Crailsheim, and Rutesheim, we were able to save 680,000 kWh in electricity annually. The conversion of factory lighting to metal-vapor lamps will save the Wimpassing location 450,000 kWh in electricity annually.
- The optimization of factory lighting at the Högsjö location led to a reduction in heat energy consumption of 185,000 kWh per year.
- A pilot project in Heidenheim revealed opportunities for saving energy by turning off machine tools and components when they are not being used. By conducting an energy-value-stream analysis, we calculated energy savings potential of around 130,000 kWh for two portal milling machines. In addition, we conducted workshops on the energy efficiency of machine tools at the German locations Heidenheim, St. Pölten, Crailsheim and Garching.
- In order to avoid losses of compressed air, we initiated various measures at the Heidenheim location: by doing so, we save around 253,000 kWh annually by repairing leaks and making employees aware of the issue.
- During the reporting period, we conducted energy saving workshops and inspections at our nine service locations in Germany. In the US, we are preparing an energy plan for the yarn production location in Summerville.
- As part of a pilot project, we put three electric cars into operation at the Schweinfurt location in April 2013, which commute between the Voith location and a customer branch. With this project, we are seeking a practical response to the question of whether electric cars offer an alternative to traditional vehicles. One Group Division has offered gas and hybrid vehicles in addition to diesel models since the beginning of 2013.

**Waste**

We reduced our volume of waste by 4.1% to 8.63 metric tons per € million in sales, and this achieved an initial milestone. In the reporting year, Voith produced a total of 49,436 metric tons (previous year: 51,505 metric tons) of waste internally without external waste collection for third parties. Of this, about 70% (previous year: 72%) was comprised of non-hazardous waste and 30% (previous year: 28%) of hazardous waste. Compared to the previous year, this represents a reduction (absolute) of 2,481 metric tons of nonhazardous waste and an increase of 412 metric tons of hazardous waste. The specific waste volume amounted to 8.63 metric tons (previous year: 9.00 metric tons) per € million in sales. This corresponds to an improvement over the previous year of 4.1%.

Similar to production-related energy consumption, the largest waste volumes occur in Europe, at 52%, followed by South America, at 27%. Asia and North America are responsible for 13% and 8% of our waste volume, respectively.

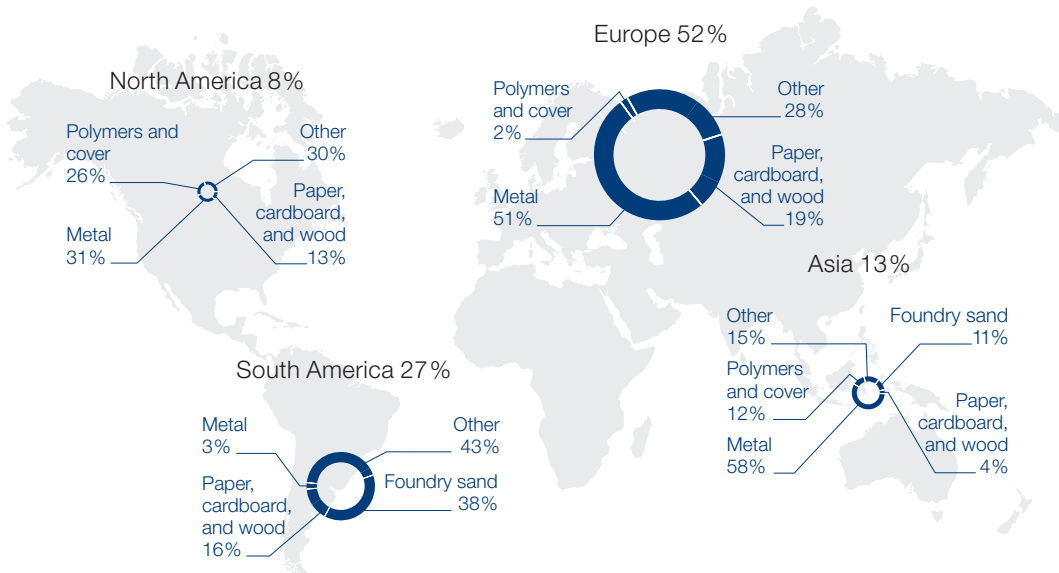
The high waste volumes in Europe are due to the large number of mechanical engineering locations, which involve a lot of metal processing. In all regions except for South America, metals represent one of the largest waste products. The volume of waste in South America is mainly caused by the casting-sand waste from the foundry in São Paulo (Brazil).

Wood, paper, and cardboard waste makes up a large proportion in all regions. This is largely due to packaging and transport security of individual components. The waste produced by Voith is disposed of by an external waste disposal and recycling company. We do not transport any waste.

We are continuously working on using resources at our locations more efficiently and recycling them. During the reporting period, Voith purchased about 173,000 metric tons (previous year: 213,000 metric tons) of material from suppliers, which represented about 33% of total operating costs. The material that was purchased was comprised as

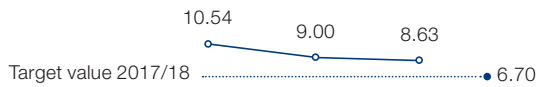
**Regional Breakdown of Waste 2012/13**

By type

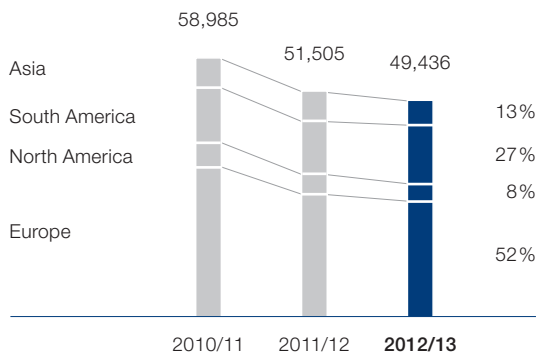


## Waste

Specific value in t/€ million in sales



In t



follows: 55% (previous year: 65%) semifinished products, 32% (previous year: 24%) raw materials, 9% (previous year: 8%) packaging, and 4% (previous year: 3%) auxiliary materials.

In the reporting period, we used around 44% (previous year: 48%) recycling materials. The proportion for auxiliary materials was 46% (previous year: 49%), for raw materials it was 41% (previous year: 48%), semifinished products 42% (previous year: 45%) and packaging 74% (previous year: 75%).

We control our current use of materials and raw materials Group-wide. If measurements are not available, we work with conversions using average weight per euro of purchased material.

### Practical Examples

- At numerous Voith locations, specific solutions for local challenges in the waste area are developed. For example, we now recycle used coolant emulsions using vacuum distillation at our site in Sonthofen. This results in a reduction of waste volume of around 10%, and the distilled

water can be reused. As a result, we save around 190 metric tons of waste annually.

- By reusing old wood to build new packaging we save 264 metric tons of wood at our São Paulo location annually.
- In order to make employees aware of the issue, we started a Group-wide campaign called Environment, Health & Safety (EHS) on topics such as waste reduction.

## Water and Wastewater

At 1,351,901 m<sup>3</sup>, Voith used around 20% less freshwater in the reporting period than in the previous year (1,682,703 m<sup>3</sup>). Per € thousand in sales, this corresponds to 0.24 m<sup>3</sup>: Thus, we have already reached our goal for fiscal year 2017/18; now we must maintain this in coming years.

The regional breakdown is similar to the one for energy consumption: 59% for Europe, 23% for America, and 18% for Asia. In Europe, freshwater is used for cooling, operating pilot paper machines, and for pilot equipment for water turbines. In Asia, the production of paper machine covers represents a significant driver. In South America, water is mainly used for cooling at the foundry in São Paulo. In North America, our yarn and press-fabric production locations use large amounts of water.

Compared to the previous year, consumption of surface water fell by 5,583 m<sup>3</sup>, groundwater by 249,491 m<sup>3</sup>, and water from public utilities by 99,412 m<sup>3</sup>. Rainwater and geothermal water are not included in the figures.

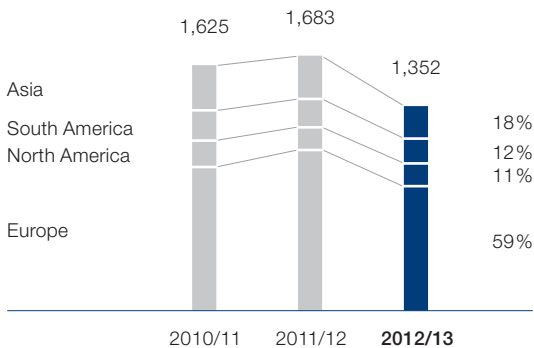
Tap water consumption in Europe and South America are about 25% each. At the same time, approximately 56% and 77% of water needs in the regions are covered by groundwater and surface water, respectively. By contrast, tap water consumption in Asia and North America is closer to 100%. Of the water used, 47% (previous year: 43%) came from public utilities. Groundwater was 42% (previous year: 48%), of which 49% was used

## Freshwater Consumption

Specific value in m<sup>3</sup>/€ thousand in sales



In thousand m<sup>3</sup>



at the Heidenheim location (for pilot paper machines, cooling, and drinking water), 21% at São Paulo (for cooling in the foundry and trial equipment), and 20% in Garching (cooling water). Surface water accounted for 11% (previous year: 9%), of which 80% (previous year: 64%) was used as coolant from an adjacent lake for the factory in Högsjö and 19% (previous year: 34%) for testing purposes in Heidenheim.

[Detailed information](#)

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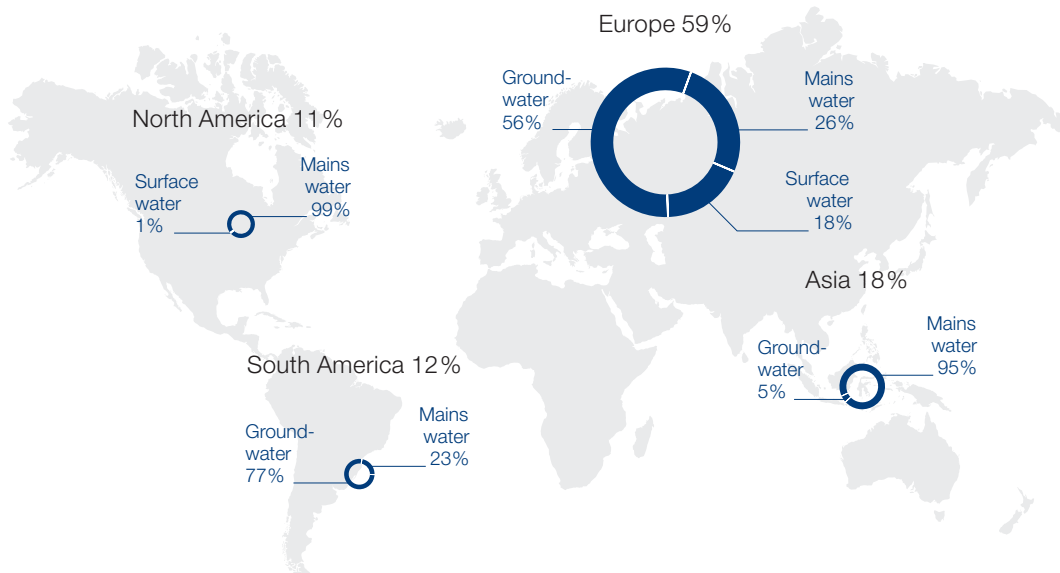
### Practical Examples

The reasons for the decrease in freshwater consumption compared to the previous year are to be found mainly at three locations:

- At the Heidenheim location, there were lower water needs at the Paper Technology Center.
- At the Garching location, we reduced the cooling water requirements in the hardening plant by 100,000 m<sup>3</sup> per year. At the São Paulo location, we replaced the freshwater used for cooling purposes in the foundry with recycled water from the

## Regional Breakdown of Freshwater Needs 2012/13

By type



internal Voith purification plant. We will thus save 25,000 m<sup>3</sup> of freshwater annually in the future.

- At the Heidenheim location, we identified an open magnet valve during a water consumption inspection that caused an annual water loss of 10,000 m<sup>3</sup>.

The volume of waste water during the reporting period was 1,198,512 m<sup>3</sup> (previous year: 1,461,091 m<sup>3</sup>). Some 33% (previous year: 50%) was discharged into rivers, lakes, or the soil and 56% (previous year: 50%) into the sewage system.

In order to provide more detailed information about the effects of the wastewater we discharge, we have recorded key hazardous substances. During the reporting period, the biochemical oxygen demand (BOD) was 9 metric tons, and the chemical oxygen demand (COD) was 31 metric tons. The overall suspended matter content of the water was 11 metric tons, heavy metals less than one metric ton, nitrogen one metric ton, and phosphorus less than one metric ton.

## 2.3 Operational Environmental Protection

The aim of operational environmental protection is to minimize all environmentally harmful effects resulting from operations. The strategic and operational control of the implementation of and compliance with environmental provisions is an important task.

According to the Group environmental policy, each location has to have an environmental representative who supports the management board and managers in the implementation of guidelines and standards. Relevant topics include, for example, pollution and water pollution control, handling waste, and hazardous materials and goods as well as reducing and avoiding environmental incidents. Furthermore, the environmental officer provides advice on environmental questions for new construction and renovations, approval processes, etc. and conducts regular operational inspections and audits.

The coordination and standardization of operational environmental protection is carried out by the Eco Standard Team, which includes members from all Group Divisions and regions in addition to

the central Corporate Environment department. In addition to location-related issues, questions regarding hazardous materials management (REACH ordinance, TSCA, etc.), training, and management systems are coordinated here.

The key duties of operational environmental protection include the assessment and internal communication of potential environmental risks, their likelihood of occurring, and damage amounts. We record all environmental incidents Group-wide according to standardized criteria.

During the reporting period, Voith implemented a Group-wide reporting system for recording incidents as planned. A reporting process was established in the Group environmental policy that indicates the people who must be informed for different types of incidents, the reporting processes, and reporting templates. The reports are submitted centrally to the central Corporate Environment function and are also evaluated for local analysis at the site.

Through the end of fiscal year 2012/13, our Eco Compliance Concept has been rolled out

worldwide in 19 locations (corresponding to 50% of sales) via training and local support. We will involve a total of 46 locations by fiscal year 2013/14. The implementation of the Group-wide hazardous materials management process, which was started last year, has been continued successfully (work-flow programming, merger of local hazardous materials databases, IT interfaces to ERP systems). We expect to complete the project by the end of fiscal year 2013/14.

### **Pollutant Emissions**

Production-related air pollutants at Voith are mainly VOCs and dust. They accumulate directly during production processes. At 104 metric tons, NM-VOCs make up the largest proportion of production-related air pollutants (mainly solvents). Dust emissions represent the second-largest fraction at 8 metric tons per year. They are almost completely caused by our foundry in São Paulo. Thanks to the installation of a new dust removal system, dust emissions have been reduced by one metric ton compared to the previous year, despite increased production.

Air pollutants from production-related energy consumption are mainly SO<sub>x</sub> (924 metric tons), VOCs (461 metric tons, of which 31 metric tons are NM-VOCs), and NO<sub>x</sub> (420 metric tons). Significant causes include the generation of coal energy and the burning of oil and natural gas. Dust emissions during the reporting period were 38 metric tons.

Significant dust pollutants emitted as a result of business travel are VOCs (210 metric tons, of which 49 metric tons are NM-VOCs), NO<sub>x</sub> (152 metric tons), and SO<sub>x</sub> (89 metric tons). Six metric tons of dust were emitted.

Air pollutants from the transport of goods are mainly NO<sub>x</sub> (244 metric tons), VOCs (132 metric tons, of which 31 metric tons are NM-VOCs), and SO<sub>x</sub>

(99 metric tons). At 6 metric tons, dust emissions are comparable in size to dust emissions from business travel.

Ozone-depleting substances are created at Voith mainly during production processes. We have identified cooling agents, which are mainly used in air conditioners and refrigerators, as the sources of CFCs and HCFCs.

### **Noise Emissions**

Three significant noise emissions were reported during the reporting period. There were two noise complaints from the surrounding neighborhood at the Heidenheim location: one was related to snow removal work and the other to nighttime noise that could not be identified, despite an intensive review. At the Garching location, there was a complaint about nighttime noise, which was traced to a damaged vacuum evaporator. This damage was immediately repaired.

### **Biodiversity**

Voith sites encompassed a total area of 3.8 km<sup>2</sup> in fiscal year 2012/13. Of this, 52% were sealed. Several of our production sites are directly next to or within water conservation areas, some of which have a high level of biodiversity. Our sites in Heidenheim and Mönchengladbach are both inside water conservation areas, and Manchester is adjacent to a Natura 2000 conservation area, while Lier is adjacent to two nature conservation areas. São Paulo is both next to and in a nature conservation area for maintaining biodiversity and for protecting groundwater. Additional sites that are in areas with threatened biodiversity are Ipoh and Karawang. Through safety measures and environmental management, Voith ensures the protection of water quality and contributes to the preservation of biodiversity at all sites.







Latin America is one of Voith's strategically important markets. We adapt to local market needs and are highly diversified: from hydro power to paper machines and industry services to drive technologies. In 2013, we continued to expand our capacities and open a new facility in São Paulo for the production of hydrodynamic variable speed planetary gears. The Vorecons control the speed of electronic compressors. They are robust and reliable, and they are therefore particularly well suited for use at oil fields in the rough Atlantic along the Brazilian coast.

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## 03 Product Responsibility

Voith stands for quality, safety, and long-term customer relationships. With our products and services, we want to create environmental and economic added value for our customers. We therefore focus on energy and resource efficiency in both the manufacturing and use phases.

### 3.1 Management Approach

With its diversified portfolio, Voith serves five global markets: Energy, Oil & Gas, Paper, Raw Materials, and Transport & Automotive. In doing so, we develop solutions for our customers and assume responsibility for our products and services. We pursue our strategic approach using three levers:

We ensure quality and safety: Voith stands for high-quality and safe products, the quality of which we ensure via risk and quality management.

We maintain a dialog with our customers: we have trusted and long-term business relationships with many of our customers. Providing them with advice on the safe use of our products in a manner that conserves resources and talking with them about their expectations are part of a fixed element of our service portfolio.

We minimize environmental effects: our products and services are intended to contribute to the protection of resources and the environment – across the entire value chain. Our goal is to create continuously more efficient product generations.

In fiscal year 2012/13, we adjusted our research and development (R&D) priorities as a result of changes in the paper market, particularly in the graphic paper market. We assessed and refocused our development portfolio. During the reporting period, we invested €242 million in our R&D. Measured as a percentage of Group sales, the R&D ratio was 4.2% (previous year: 4.7%).

## 3.2 Product Safety and Quality, Customer Dialog

### Quality and Safety

A key quality characteristic of our products is safety. Voith has a Group-wide risk and quality management process. Goals, processes, and methods are defined for the development and manufacturing phase. The Group Divisions are responsible for their implementation. The quality departments ensure compliance with the processes. We have set out the guidelines for dealing with technical risks and quality in a Group Directive. The Group Divisions and their companies define and supplement this directive – for example, with safety regulations for the entire life cycle of a product.

We offer our customers training courses where they learn to get familiar with our systems, drives, and units correctly. This allows them to achieve the best-possible consumption levels and operating costs across the product life cycle. We have developed product-specific training courses for many of our products. For example, we offer training courses on how to drive using retarders and go by ship using Voith Schneider propellers. In addition, we advise paper producers how to reduce the specific use of energy and freshwater in production and increase the percentage of recycled fiber used.

### Tests and Standards

The Management System for Technical Risks and Quality (TRQM) and the Group Division-specific standards set out methods and tools to guarantee the quality of our products and that they meet the international quality management standard ISO 9001. TRQM governs how we mark our products, whether according to legal requirements or according to customer requirements. Operating instructions provide information on how to handle products safely in terms of technology and the

environment. Consequently, we calculate, analyze, and simulate various operating states during product development: our research and development centers make computer-based calculations and perform model tests regarding the performance or safety of the products.

Voith products are subject to stringent acceptance criteria. Checklists help ensure compliance with these requirements as prescribed. The TRQM system also outlines procedures for making decisions that entail risks. We train employees on the requirements and standards. All employees involved in the processes can access the information relevant for them in internal databases or obtain information via internal communication channels.

### Customer Dialog

Resource-efficient products play an important role for our customers – not only because of rising prices for raw materials and energy but also because of increasing legal requirements. To better understand the needs of our customers, we engage them in dialog in a wide variety of formats. The satisfaction of our customers is a key element of what we do. We place great emphasis on maintaining long-term partnerships. We are proud to have worked with many customers for generations.

We use various methods and tools for objectively assessing and improving the service we provide to our customers. For example, we conduct surveys on customer satisfaction in some Group Divisions: this includes conducting personal meetings, telephone interviews, and e-mail correspondence. The processes are part of our integrated system of risk and quality management; the effectiveness is reviewed by external experts as part of the recertification in accordance with ISO 9001.

### 3.3 Products and Services that Conserve Resources and the Environment

#### Environmental Standards and Tools

Voith products are largely components that have different impacts on the energy balance of customers' overall systems. Voith therefore uses different tools for preparing detailed assessments of the energy and resource efficiency of its products – both for the production phase and when they are used by customers. We abide by the relevant standards (ISO 9001, ISO 14001, OHSAS), according to which we are certified, and we also supplement these standards with internal methods.

Our Eco Innovation Team supports the cross-divisional environmental innovation process. The team is comprised, among others, of employees from our central Eco Technologies function the R&D departments of our Group Divisions, and representatives from product management and corporate strategy.

In cooperation with other companies, universities, and research institutions, Eco Technologies identifies economic and environmental market trends and determines the status and the cost effectiveness of the technologies available on the market for Voith. Through the use of resource-efficient technologies – for example, through identified recycling processes – savings can be achieved in the production process. In addition, Eco Technologies assesses risks that might arise for the Group from the use of certain materials and develops measures for effectively meeting these risks.

One tool for measuring environmental effects is the Life Cycle Assessment (LCA). For selected products we have conducted LCAs in accordance with ISO 14040 and 14044 for some years.

During the reporting period, we carried out the following activities:

- We conducted an LCA for our paper machines as well as various components from the integrated EcoMill concept. We also published an LCA for a pumped storage station. In addition to calculations regarding environmental impacts, the study demonstrates the energy payback ratio.
- We collaborated with a customer to develop and carry out a simulation program for automated large-scale trials in paper production. The use of the simulation program reduced the number of large-scale trials and thus contributed to the reduction of resources used during development.

We work according to the principle of offering ever more energy efficient and environmentally sound product generations. We optimize the production processes of our customers through our services and reduce not only their costs but also the environmental impact. For the further development of our portfolio, we focus on current developments in our five key markets. In addition, we are guided by the needs of our customers as well as global megatrends.

During the reporting period, we implemented the following projects e.g.:

- In the area of hydro power, we worked more intensively on powerful turbines and generators. An important milestone on the path to the one gigawatt machine is the start-up of a generator-turbine unit with a capacity of 784 megawatts for the Xiluodu hydro power station (on the Jinsha River in China). It is the most powerful unit ever built by Voith.
- Voith labels the latest technical solutions for sustainable energy production from hydro power

with the Voith HyEco seal. Depending on the usage profile, the HyEco products, systems, and services from Voith allow for greater efficiency, lower utilization of resources, and the greatest possible compatibility with nature.

- In the area of paper manufacturing, Voith brought to market a patented sealing strip system with integrated lubrication that significantly reduces the need for lubricating water and operating power. Tests have shown that with the system up to 87% less lubricant and 9% less energy is used.
- In order to sharply lower the energy needed to remove ink from paper fibers, Voith developed the LowEnergyFlotation (LEF) technology. The heart of the LEF is new injectors. Together with modified pumps, these injectors allow for energy savings in the flotation of up to 50% compared to existing technology.
- Voith launched its new modular Vorecon with dual torque converters on the market in 2013. This achieves higher efficiency through a broader operating area for pumps and compressors. This increases the level of efficiency and reduces the energy needed to operate, for example, a compressor station by 2 to 10%. In October 2013, Voith also opened a factory in São Paulo, in which Vorecons for the South American market will be produced in the future.
- The first of a total of 40 “Artic” low-floor trams installed with Voith traction equipment have been running in Helsinki since June 2013. Braking heat recuperation allows more efficient operation. The intelligent braking energy management was designed in such a way that converted energy generated during braking is fed back into the overhead contact wire. Should the overhead network be unable to absorb power, the braking energy is stored in specially designed

heat exchangers and used for the heating system as needed.

- In the area of innovations, Voith established the development center “Electric Drives & Mechatronic Systems”, which will develop new strategic products until they are ready for the market. Virtual images of new products are shown in “hardware-in-the-loop” test environments, which make the development process more efficient. Another task of the center is to further develop existing products by integrating sensor technology, actuators, and electric drives.
- In Brazil, we were recognized with an award from Daimler Trucks for providing advice and service to reduce environmental impacts during manufacturing.
- Voith optimized the diesel rail cars for a Brazilian rail engineering company and reduced maintenance costs.
- Voith implemented maintenance concepts for trucks that improved the life cycle of the vehicles and thus reduced their environmental impact and costs.





We focus on the health and safety of our employees. For this reason, we have regionally adapted measures around the world. At our São Paulo location, for example, we improved our internal medical care over the past year. The medical emergency service is now also available over the weekend. To ensure that those of our employees who are on business trips and at construction sites are protected, we prepare our project teams intensively for their assignments. Voith also maintains a crisis organization for quick support in emergency situations.

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## 04 Responsibility for Employees

We want to offer our employees an attractive working environment with individual development opportunities. To this end, we take account of their individual life circumstances and provide long-term, challenging employment relationships and diverse career paths. In order to meet the requirements of the global labor markets and the further internationalization of Voith, we have realigned our HR department.

## 4.1 Management Approach

The realignment of the Human Resources (HR) department will be continued in fiscal year 2012/13 as part of the Voith initiative “Excellence@Voith”. The strategic goals of this years-long transformation process are to further develop personnel work at Voith qualitatively and to structure internal processes in a leaner and more efficient manner. In order to achieve this goal, we have defined two guiding criteria for our measures. First, all of our activities help ensure that the required employees with the necessary qualifications can be deployed at the right time in all markets (availability). Second, we implement measures that qualify and motivate our employees throughout their career at Voith in an optimal manner (effectiveness). All HR activities that are carried out contribute to the achievement of these two goals and are also related to one of three main thematic focuses:

- Recruiting, training, and further education,
- Occupational health and safety,
- Diversity and inclusion.

### Code of Conduct

<http://voith.com/en/group/compliance-187.html>

The Voith Code of Conduct and our Voith values form the basis of our actions, both within the company and toward customers. Working at Voith is characterized by a value-oriented corporate culture. In addition, we firmly believe in the concept of lifelong learning and support our employees in their further professional development. In order to allow our employees to better balance their professional challenges with their private concerns, we offer a family-friendly work model. The equal status of all employees, attention to human rights, and taking action against discrimination are mandatory guiding principles for our company.

### Standards, and Tools

At the operational level, we started the Group-wide review of structures within HR in fiscal year 2012/13. We continuously develop standardized processes, thus improving the cooperation between the HR and business units. We implement various methods, tools, and IT-based processes in order to manage our HR department. Since fiscal year 2011/12, we have been building our staff information system, the “People Excellence Platform” (PEP), an integrated talent management IT system that maps our organizational structure globally and contains qualification and development information about our employees. Using the data stored in the system, we can create greater transparency about reporting lines and more precisely determine the status quo and need for action for Group Divisions, regions, and locations. For example, in the future we will use the system to guide the performance management of our employees by centrally documenting employee appraisals and agreements on objectives. We worked on the uniform entry of the master data of all employees during the reporting period; completion of the project is planned for the beginning of 2014.

### Voith as an Employer

In fiscal year 2012/13, Voith employed 47,111 (previous year: 46,469) people. Some 65% of our employees work in Europe, 25% in America, 9.6% in Asia, and 0.3% in Africa. As in the previous year, women represent 21.5% of our workforce. The average number of temporary employment contracts rose during the reporting period by 3.4%, from 6,047 to 6,378 employees. Across



the Group, around €1,753 million (previous year: €1,701 million) was spent for wages and salaries, and €401.7 million (previous year: €394.9 million) was spent on social security contributions, retirement pensions, and assistance.

### **Long-term Cooperation**

Voith focuses on long-term employment relationships and seeks to offer its employees an attractive, challenging workplace. To this end, we promote a culture of lifelong learning, and we train young people who then have a good chance of being employed by us. Furthermore, we place great emphasis on the compatibility of career and family as well as workplace safety, and we offer health services.

The average length of service Group-wide remained stable at 8.3 years (previous year: 8.2 years). Employees at Voith locations in Europe worked an average of 9.1 years and in North America 7.6 years. In fast-growing markets, such as Brazil and China, we have hired many employees over the last few years. The ratio is therefore correspondingly low: Voith employees in Asia worked an average of 5.4 years for our company and in South America 5.6 years.

The labor turnover rate for the Group during the reporting period was 15.9% (previous year: 15.6%). Of this, 5.7% of our employees left the company at their own initiative. In machine and plant engineering, the rate was 7.2%, and it was 26.1% in the service business.

### **Performance-based Remuneration**

Voith provides its employees with performance-based remuneration in line with the market, irrespective of gender, and based on specialist qualifications and performance. Remuneration and benefits vary by region. At our German sites, the level of wages and salaries is generally regulated by collective bargaining. At our international sites, we ensure that the locally valid minimum wage is complied with and that this ensures the livelihood of our employees.

### **Exchange between Management and Staff**

Voith recognizes the right of its employees around the world to form unions. In Germany, 87% of our employees were under collective bargaining agreements during the reporting period; globally, this figure was 74%. Exchanges between Group management, employees, and local HR departments take place with the involvement of local employee representatives. Within the individual countries, the relationships are structured in accordance with national labor contracts and collective bargaining agreements. Fundamental changes are communicated to employees at all our sites in a timely manner by Group Board of Management or local management.

## 4.2 Recruiting, Training, and Further Education

Voith sees itself as a responsible employer that supports and challenges its employees. We want to attract qualified employees and retain our staff over the long term. For this reason, we support our employees in their continuous development. Our staff development measures are tailored to the challenges in each region, department, and management level. In the future, we will manage all relevant Voith HR processes via our “People Excellence Platform” (PEP), from attracting and developing our employees to planning the next generation of talent. Using another tool, the “Talent Conference”, we will determine what our needs are for the next generation of highly qualified management and structure development measures and manage the hiring process in the individual regions. In fiscal year 2012/13, we increased our HR marketing via social media channels. For example, potential employees can now apply for jobs at Voith directly via their job profile in social networks.

### Recruiting

Recruiting specialists and managers is one of the most important duties of the HR department. Thanks to cooperation agreements and international HR marketing measures at universities, we speak directly with students and provide them with insight into our company as a potential employer. In addition, we award stipends and promote competitions in the regions in which we are active. Since fiscal year 2012/13, we have been a supporting member of the largest student engineering initiative in Germany, the “Bonding Student Initiative e.V.”. In America and China, we have held

conferences on attracting the next generation of managers.

### Leadership Concept

As a responsible employer, we ensure that managers and employees hold regular exchanges on work duties, goals, and individual performance. Our Leadership Concept stipulates that managers have an annual meeting with each employee. The meeting focuses on the work environment, duties, and collaboration. During the meeting, objectives and development opportunities as well as the need for training and the required measures are agreed. During the reporting period, 88% (previous year: 87%) of employees in machine and plant engineering took part in a meeting. This will be tracked across Voith as a whole with the introduction of the People Excellence Platform.

### Training

We train young people in more than 40 commercial, technical, and industrial professions, and we usually hire them after the completion of their vocational training. During the reporting period, we employed 1,197 (previous year: 1,206) apprentices, almost all of whom we were able to offer employment relationships following completion of their training. Of our 940 apprentices in Germany, around 270 work at the site in Heidenheim. During the reporting period, we held our “Training Concept 2020” twice with the goal of providing interdisciplinary learning and practical experiences. In this context, we largely completed the construction of the new training center with interdisciplinary practice workshops. It is expected to be opened in

spring 2014. Spring 2014 will also see the opening of the new training center in Kunshan (China), to which the city of Kunshan contributed €1.8 million. As part of the “Global Graduate Program”, we offer trainees with engineering and business administration qualifications – whom we recruit around the world – a challenging introduction to our company: participants combine practical experience with training, are coached by a mentor, and work in various Group Divisions and regions.

### **Continuing and Further Education**

Voith offers its employees and managers access to internal and external further education and qualification measures. The opportunities include work, health and environmental protection, technology, IT, quality, language, business, and leadership and character.

As an international company, we value a Group-wide, uniform understanding of our corporate and management culture. This is particularly relevant for our managers. They go through a uniform development program that we intensified during the reporting period. The program conveys the principles of our leadership concept as well as the corresponding management knowledge and skills. Managers at the top management level also attend the training program at our Voith Academy. Managers from the Procurement, Finance, and Human Resources areas as well as project managers receive training at the Voith Management School. Voith training sessions, which offer a broad range of further education, are available to all other employees. In fiscal year 2012/13, a total of 3,915 employees

(previous year: 4,980) at our German sites availed themselves of our further education offerings, completing more than 127,379 further education hours (previous year: 127,491 hours).

## 4.3 Occupational Health and Safety Management

Health and workplace safety are extremely important at Voith. We seek to avoid accidents and work-related illnesses as much as possible by structuring workplaces in a responsible manner.

### **Ensuring Work Safety throughout the Group**

Provisions on occupational health and safety have been firmly established in the Group's objectives since 2009. The Corporate Health and Safety department, which reports to the central Corporate Sustainability function, is responsible for the further development of standards and measures. The Group directive on workplace safety established mandatory minimum requirements and standards for the Group. We have defined our understanding of workplace safety in seven guiding principles. During the reporting period, another four of a total of 28 Safety Group Directives went into effect covering the following topics: assessing risks, corporate safety auditing, preventing falls, and fire and explosion safety. The directives define safety standards that are valid Group-wide. We record and manage the relevant information via our management system in accordance with international standards, such as OHSAS 18001, according to which many of our sites are certified. The core elements of the system include the documentation of all safety-related incidents, a special internal auditing system, and annual occupational safety programs. In addition, potential improvements to workplace safety in selected locations are determined using the Corporate Safety Audit system.

### **Workplace Safety as a Management Duty**

Managers who are responsible for staff have a particular duty to ensure workplace safety. Using agreements on objectives, we require that they support and comply with guidelines. They receive thorough information, awareness training, and training in this regard. Managers, in turn, are obligated to train their staff and actively communicate current developments. During the reporting period, nearly all operational managers and 75% of administrative managers completed training on the topic of workplace safety. All of our employees are regularly informed about and trained in workplace safety. We also involve our service provider through the workplace safety directive "Coordination of visitors and contractors".

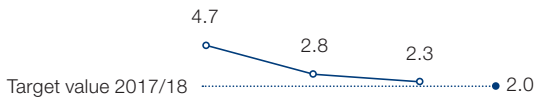
### **Documenting and Avoiding Accidents**

Voith reduced the frequency of workplace accidents to 2.3 accidents (previous year: 2.8) per million hours worked during the reporting period. This ratio corresponds to 181 reportable accidents.

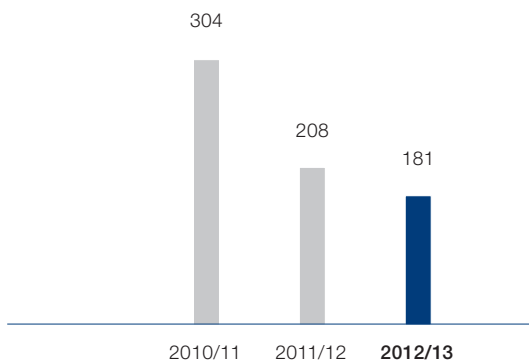
At Voith, all accidents are immediately recorded and report to the direct supervisor and published online. In serious cases, Group management must be informed directly within 24 hours. Since fiscal year 2012/13, even nonreportable incidents, accidents, and near accidents have also been communicated. Each accident is reviewed and documented by an investigation team that consists of those involved, supervisors, and safety experts.

## Frequency Rate

Specific value in accidents per 1 million working hours

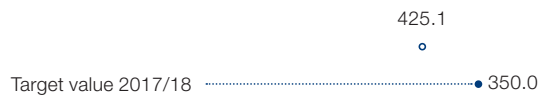


Absolute value

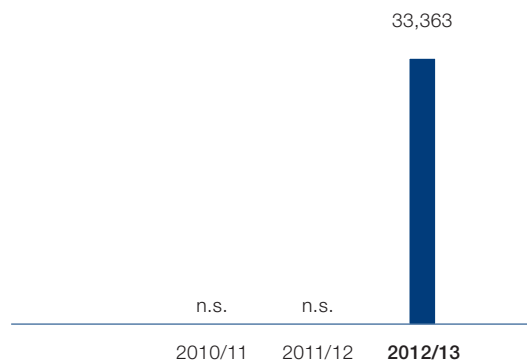


## Severity Rate

Specific value in hours not worked per 1 million working hours



Absolute value



## Health Management

The health of our employees is very important to us. Our employees should be able to enter retirement in good shape at the end of their professional lives. Voith has established four areas of activity for Group-wide health management:

- Safe and demographically appropriate working environment
- Health promotion and prevention of illness
- Support in case of illness and stress
- Corporate culture and leadership

In the “Safe and demographically appropriate working environment” field of activity, we identified noise, ergonomics, and skin diseases as key systematic areas of responsibility in fiscal year 2013/14 and developed initial projects. In the “Health promotion

and prevention of illness” field of activity, we are implementing location-specific projects to promote awareness of healthy lifestyles. These include, among other things, common illnesses such as cardiovascular diseases, diabetes mellitus, infectious diseases, and psychological illnesses. In the “Support in cases of illness and stress” field of activity, we have developed a guideline for systematic occupational reintegration management of ill employees. At the individual sites, working groups have been formed, which, among other things, are tasked with developing and implementing preventive steps for avoiding stress and illnesses. During the reporting period, we started building a cross-site network of staff doctors in Germany in order to support our main focuses through regular specialist exchanges.

## 4.4 Diversity & Inclusion and Family-Friendly Policies

Voith seeks to create an attractive work environment for its employees. To this end, we have strongly integrated diversity and inclusion in our corporate culture and promote work models that support the compatibility of family and career.

### **Diversity and Inclusion**

The people who work at Voith are in various stages of life, from more than 100 countries, and have individual experiences. This diversity enriches our corporate culture and contributes to the success of our company. Innovation arises from the interplay of different skills, experiences, and perspectives. Voith recognizes the equality of every individual and promotes an appreciation for all colleagues and business partners. We do not tolerate any discrimination on the basis of gender, culture, age, belief, or other personal characteristics.

Equal treatment is set out in the Voith Code of Conduct, the implementation of and compliance with it is monitored at every Group level by the Compliance Committee. During the reporting period, there were no reported cases of discrimination.

Voith aims to increase the proportion of women at the company. In fiscal year 2012/13, 9,125 women (previous year: 8,652) worked at Voith. As in the previous year, this corresponds to 21.5% of total employees. The proportion of women in the Voith Senior Management Circle is 7.6% (previous year: 4.3%), with 11 countries represented. The proportion of our employees in the Group over the age of 50 continues to be higher than the industry

average at 27%. We adhere to the principle that we fill management positions in our regions with local staff when possible.

Our Group-wide Diversity & Inclusion Program got underway in fiscal year 2012/13. The first goal of this program is to make employees aware of diversity and equal opportunity. To this end, we have developed a "Train-the-Trainer" concept for global awareness workshops. During the reporting period, the individual regions developed specific fields of activity in which measures will be implemented in the future. One key cross-regional field of activity is to increase the proportion of women in management positions. Furthermore, dealing with the various age structures of employees is a crucial topic.

### **Family and Career**

The compatibility of family and career is an important concern for us. For this reason, we are progressively expanding our various working models and offers. Voith allows for a range of part-time working models. Combinations of home office and in-office work are also available.

In fiscal year 2012/13, 686 Voith employees (previous year: 517) took advantage of statutory parental leave, including 351 men. At some of our locations in Germany, we offer childcare places at various facilities for the children of employees up to age ten. Our locations in Sonthofen, Heidenheim, and Crailsheim each have their own parent-child work room, which allows parents to bring their children to work in the event they are unable to find childcare

on short notice. The Voith intranet site “Family & Job” provides online information about regional offers on the topics “Children & Job” and “Caring & Job” that help ease the burden on employees in carrying out private tasks.

Since fiscal year 2012/13, Voith has cooperated with an external consultancy that provides our employees in Germany with information by phone and e-mail on the topic of caring and providing childcare opportunities. Furthermore, we have expanded our family support measures in Germany by, among other things, arranging au pairs, day nannies, and care services during school holidays.





Over the last ten years, Brazil has recorded significant success in its battle against poverty. However, nearly 20% of young people have no fixed job. In order to prepare young people from socially disadvantaged families for the labor market, the Fundação Voith, which was founded in 2004, started the “Formare” project. In this program, around 80 Voith employees volunteer as instructors. Theory is supplemented with practical learning in Voith’s factories. After ten months, the young people take an exam and are then well prepared to start a career.

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## 05 Responsibility for Society

As a globally active corporate group and family-owned company, we want to contribute to positive social development. We carry out our activities in the areas of sport, education, social affairs, and culture. In doing so, we focus on the regions in which we are active.

## 5.1 Management Approach

Our social engagement is part of our understanding of sustainability. As a company, we want to contribute to the promotion of the common good. We achieve a major impact in this regard by funding institutions at our local sites.

The activities are managed via Voith GmbH, the Hanns-Voith-Foundation, and the Fundação Voith (Brazil). For 60 years, the Hanns-Voith-Foundation has supported and implemented social projects, the funding of which is determined by the Management Board and the Foundation Council. Since 2004, Voith has been involved in Brazil through the foundation Fundação Voith, which is funded by the local subsidiary.

Voith, the Hanns-Voith-Foundation, and the Fundação Voith spent a total of €1.78 million (previous year: €2.51 million) on social engagement in fiscal year 2012/13. The budget is based on the earnings before taxes (EBT) of the previous year. The maximum is 1% of EBT; the minimum is two-thirds of the funding volume of the previous year. Of the €1.78 million spent, €0.83 million was used for donations and €0.95 million for sponsoring measures. At 45.1%, the largest proportion was spent on sport, followed by 28.5% on education, 14.9% on social affairs projects and 11.5% on cultural projects. Of this €1.78 million, €400,000 was spent by the Hanns-Voith-Foundation and €430,000 by the Fundação Voith. Since its founding, the Fundação Voith has donated €1.9 million. During the reporting period, 9,400 needy children and young people received support through education and cultural projects.

### Funding 2012/13 total €1.78 million

#### By theme



We fund projects according to defined, Group-wide criteria: activities funded by us and the organizations carrying them out must be recognized as being non-profit and operate both internationally and interculturality. Projects must achieve a broad-based effect, promote the community, or increase the attractiveness of the region for the local population. Eligibility for funding is ascertained by our own research and by auditors. Irrespective of these rules, Voith provides help in humanitarian emergencies that demand urgent action.

Our Group Directive “Donations and Sponsoring” defines donations as voluntary contributions without consideration. With sponsoring, we have another goal besides funding: to receive an agreed consideration. In our Code of Conduct, we undertake to be transparent and lawful. Donations to political parties require the approval of the Corporate Board of Management or the Shareholders’ Committee. In the reporting year, we made donations of €48,000 to four political parties in the German Federal Parliament.

The Corporate Office coordinates our social engagement activities, while our sponsorship activities are managed by Group Communications. Individual Group Divisions can launch their own aid and sponsorship projects. The Corporate Office provides information annually on the use of funds Group-wide to the Corporate Board of Management.

## 5.2 Projects and Activities

Voith has defined the areas of Education, Social Affairs, Sport, and Culture as the thematic focuses of its social engagement.

### Education

A good education and training forms the basis for optimal development opportunities in life. That is why we continue the tradition of Dr. Hanns Voith by supporting kindergartens, schools, and universities around the world.

### Domestic

At our German locations, we have subsidized the “Academy of the Future” in Heidenheim as part of our talent promotion program for many years. As in the previous year, we donated €50,000 to local kindergartens and schools. In addition, we awarded €10,000 each to the Association of Independent Waldorf Schools in Heidenheim, the Institute for Waldorf Pedagogy in Mannheim, the European Business School in Oestrich-Winkel, and the German Institute for Standardization.

Every year since 1972, we have prepared up to 50 youths with learning difficulties or those who left school early in a training program at our headquarters in Heidenheim. The success rate for the integration of these young people is over 80%. In addition, Voith is a founding member of the Knowledge Factory Company for Germany and participates in projects, such as “KiTec Children Discover Technology” and the mentoring program for young entrepreneurs. In October 2013, the lighthouse project “Power4School – Students Discover Energy” began its first practical phase at Voith. The goal is to introduce students to the topic of energy.

Voith has endowed professorships at German universities, such as the one at Stuttgart University in cooperation with EnBW Baden-Württemberg AG.

Since fiscal year 2011/12, the Hanns-Voith-Foundation has awarded six scholarships each year to students with excellent performance at the Technical University of Munich (TU) in the civil engineering, electrical engineering and information technology, mechatronics and engineering and information technology, development and design, and mechanical engineering departments. In addition, for many years Voith has participated in presentations and excursions.

At this year’s anniversary of the Hanns-Voith-Foundation, we awarded the first-ever foundation prize for student theses. The award, which included a prize valued at €5,000, will be awarded each year to excellent student theses in engineering, science, and economics. The prize for new materials went to two graduates of the TU Munich, while a master’s degree candidate at the University of Mannheim received the economics prize for his application of in-memory databases at companies. The hydropower prize was awarded to a degree candidate at the University of Karlsruhe for the development of a water-pumping system for the city of Yogyakarta on the island of Java.

### International

Our cooperation with schools and universities has stood the test in Europe, the US, India, China, and Brazil as well. Among other things, we support the “Top Technology Program” in Austria, the “Adopt-a-School” program in the US, and the cooperation between the Escola Estadual Conjunto Habitacional Voith and the Friedrich-von-Voith School in São Paulo, Brazil.

In the US, we are a member of the Industry Advisory Council (IAC) at York College of Pennsylvania. In India, we have exchange programs with ISB Hyderabad, Jadhavpur University (Kolkata), and the Indian Institute of Roorkee (Delhi). Our cooperation partners in China are the Nanjing Forestry University, Shanghai Jiaotong University, Tongji University, Xi'an Jiaotong University, and Zhejiang University. As part of these partnerships, scholarships are provided, lecturers sent, and joint projects carried out.

### **Sport**

Voith sponsors professional and amateur sports and it supports several sports clubs and competitions around the world. We spent €803,000 on this in the reporting year. At its headquarters, Voith supports the professional soccer club 1. FC Heidenheim by, among other things, sponsoring the naming rights for the Voith Arena, the fencing center Heidenheimer Sportbund 1846 (HSB), and the local baseball team. We view the support for local initiatives as an investment in the quality of the region for citizens and our employees. In November, we opened the Voith Sports Center, a space for more than 20 types of sports activities. In Brazil, the Fundação Voith supports the sports education center "Ana Moster" for children from low-income families as well as the program "Atleta Solidário" for young people with physical and mental disabilities.

### **Social Affairs**

The aim of our engagement in this area is to improve the living conditions of people around the world and to promote contact among cultures. For this reason, since 2003 we have sponsored two scholarships in Asia and South America in the amount of €4,500 each for the program "A School Year Abroad" from the world's largest charitable provider of youth exchanges and intercultural learning, AFS Interkulturelle Begegnungen e.V. We support projects such as the Children Future Organization (CFO) in Nepal. In August, our training manager from Heidenheim visited the organization

in Kathmandu in order to discuss the construction of a training center for crafts jobs.

The organization received a donation of €10,000, as did the Health & Professionals initiative in South Africa, the Development Initiative for Tigray in Germany (Ethiopia), and the CM Relief Fund Uttarakhand (India). In São Paulo, we support the advisory project Comedi Editora, which carries out activities with a focus on social responsibility and creates added value for companies through its social and cultural campaigns. Regionally, we donated €20,000 to Heidenheim's partner city Döbeln in order to repair damage from flooding.

### **Culture**

One of our major concerns is giving children and young people access to cultural life. During the reporting period, we provided financial support for various institutions in Heidenheim, including the Sculptors Symposium, the Heidenheim Art Museum, and the Opera Festival. We have also been assisting the museum for Ice Age art in Lonetal and the Austrian Papermaking Museum for several years. In Brazil, we provided support to the non-governmental organization "Passatempo Educativo" in São Paulo, which offers free cultural programs for children. The Fundação Voith donated more than €50,000 to the Bachiana Jovem Orchestra in São Paulo with the goal of interesting 280 students in classical music and music studies. We have also provided monetary support for the projects "Oficina de Teatro de Bonecos", in which workshops on puppetry are conducted, and "Machadiando", literary events for 100 young people each on the works of Brazilian author Machado de Assis.

# Miscellaneous

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### Remarks:

The consolidation framework described in “About this Report” (see inside front cover) applies unless explicitly stated otherwise. Some decimal points have been rounded up or down. Data that was not available at the time of publication is indicated with “n.a”.



# Sustainable Management

## Key Economic Figures

In € million	2012/13	2011/12	2010/11
Sales	5,728	5,724	5,594
Operating result before result from one-off effects	308	341	416
Results before taxes	90	177	322

Reference: Voith Group

## Sales Markets

In %	2012/13	2011/12	2010/11
Germany	20	21	21
Other Europe	27	26	27
America	27	27	23
Asia	23	24	27
Other	3	2	2

Reference: Voith Group

## Procurement Markets

In %	2012/13	2011/12	2010/11
Germany	36	44	37
Other Europe	22	21	25
North America	9	7	5
South America	19	19	21
Asia and rest of world	14	9	12

Reference: Voith Group

## Business Area Portraits in Fiscal Year 2012/13

In € million	Voith Hydro	Voith Industrial Services	Voith Paper	Voith Turbo
Sales	1,388	1,185	1,639	1,500
Operating results	107	30	86	108

Reference: Voith Group

### Certifications at Voith Locations

Number	2012/13	2011/12	2010/11
ISO 14001	69	69	56
ISO 9001	83	82	76
OHSAS 18001	69	67	52

Reference: Voith Group

### Compliance

In %	2012/13	2011/12	2010/11
Employees trained in compliance	100	100	59
Managers trained in compliance	100	100	100

Reference: Voith Group

### Compliance Training Sessions in Fiscal Year 2012/13

	Number of sessions	Type
Management from the upper four levels, new managers at the Voith Academy, Sales, Sourcing	913	One day
Decentralized training by compliance manager	2,209	>1.5 hours
Training by supervisor	2,891	>0.5 hours

Reference: Voith Group

## Responsibility for the Environment

### Energy Consumption

#### Production-Related Energy Consumption by Region

In %	2012/13	2011/12	2010/11
Asia	11	11	10
South America	12	11	11
North America	21	21	21
Africa	<1	<1	<1
Europe	56	57	58
In MWh			
<b>Total</b>	<b>601,198</b>	<b>603,369</b>	<b>615,455</b>

Production-related energy consumption includes energy consumption at Voith production and service locations.

**Production-Related Direct Energy Consumption by Primary Energy Source (Renewable and Non-Renewable)**

In MWh	2012/13	2011/12	2010/11
Direct energy consumption	196,747	199,774	205,237
In %			
Non-renewable energy sources	99.9	99.9	99.8
Natural gas	80	77	79
Heating oil	7	9	8
Gas	0	0	0
Diesel	6	7	7
LPG	7	7	6
Other	<1	0	0
Renewable energy sources	0.1	0.1	0.2
Ethanol*	81	87	90
Hydrogen**	19	13	10
Other	0	0	0

\* Used as fuel in São Paulo

\*\* Used in production (thermal coating)

**Production-Related Indirect Energy Consumption by Primary Energy Source (Renewable and Non-Renewable)**

In MWh	2012/13	2011/12	2010/11
Indirect energy consumption	404,451	403,595	410,219
In %			
Non-renewable energy sources	77.8	77.9	77.4
Heating oil	5	5	5
Nuclear energy	16	17	17
Natural gas	47	48	48
Coal	24	23	22
Other	8	8	7
Renewable energy sources	22.2	22.1	22.6
Wind	1	1	1
Water	85	84	83
Other	14	16	16

Production-related energy consumption includes energy consumption at Voith production and service locations.

## Own Energy Production

In MWh	2012/13	2011/12	2010/11
Electricity for own use	3,602	3,839	3,868
of which purchased from other organizations	283	235	324
Thermal heat for own use	1,456	1,915	1,622
of which purchased from other organizations	0	0	0
Steam for own use	23,400	22,883	23,633
of which purchased from other organizations	0	0	0
<b>Total own energy production</b>	<b>28,458</b>	<b>28,637</b>	<b>29,124</b>

## Transport-Related Energy Consumption for Business Travel

In MWh	2012/13	2011/12	2010/11
Flight (long-distance)	48,085	55,666	59,656
Flight (short-distance)	1,620	2,184	2,425
Rail	434	489	487
Car	62,636	62,405	65,115
<b>Total</b>	<b>112,775</b>	<b>120,744</b>	<b>127,683</b>

Transport-related energy consumption for business travel includes business-related flights (short/ long) and trips by rail, company cars, and rental cars.

## Greenhouse Gas Emissions

### Production-Related Greenhouse Gas Emissions

In t	2012/13	2011/12	2010/11
Direct greenhouse gas emissions	42,337	43,369	44,358
Indirect greenhouse gas emissions	143,013	140,002	139,930
<b>Total</b>	<b>185,350</b>	<b>183,370</b>	<b>184,288</b>

Production-related greenhouse gas emissions include greenhouse gases that occur as a result of energy consumption at Voith production and service locations.

### Production-Related Greenhouse Gas Emissions by Region

In %	2012/13	2011/12	2010/11
Asia	26	24	22
South America	10	10	10
North America	25	26	26
Africa	<1	<1	<1
Europe	39	40	41
In t CO <sub>2</sub>			
<b>Total</b>	<b>185,350</b>	<b>183,370</b>	<b>184,288</b>

Production-related greenhouse gas emissions include greenhouse gases that occur as a result of energy consumption at Voith production and service locations.

The increase in greenhouse gas emissions in Asia is due to increased energy consumption following the expansion of production capacity. Because of the high proportion of coal power in the energy mix there, there is a high specific CO<sub>2</sub> factor per kWh of electricity.

### Specific Production-Related Energy Consumption

MWh/ € million sales	2012/13	2011/12	2010/11
<b>Total</b>	<b>104.95</b>	<b>105.42</b>	<b>110.02</b>

Production-related energy consumption includes energy consumption at Voith production and service locations.

### Greenhouse Gas Emissions for Business Travel

In t CO <sub>2</sub>	2012/13	2011/12	2010/11
Flight (long-distance)	13,220	15,305	16,402
Flight (short-distance)	445	601	667
Rail	104	117	117
Car	18,020	17,965	18,769
<b>Total</b>	<b>31,789</b>	<b>33,988</b>	<b>35,955</b>

Greenhouse gas emissions for business travel include greenhouse gas emissions that occur as a result of energy consumption for business-related flights (short/ long) as well as by rail, company cars, and rental cars.

Transport-related greenhouse gas emissions were converted using the conversion factors for personal transport available in the ProBas database of the German Environmental Agency.

### Greenhouse Gas Emissions for the Transport of Goods

In t CO <sub>2</sub>	2012/13	2011/12	2010/11
<b>Total</b>	<b>37,629</b>	<b>37,240</b>	<b>55,615</b>

Greenhouse gas emissions for the transport of goods include greenhouse gas emissions based on our inventory additions and subtractions data and the associated transports.

Transport-related greenhouse gas emissions were calculated using the emission factors available in the ProBas and TREMOD database of the German Environmental Agency.

## Air Pollutants

### Production-Related Air Pollutants

In t	2012/13	2011/12
FCKW*	<1	<1
H-FCKW*	<1	<1
Halon*	0	0
Methylbromide*	n.r.	<1
Volatile organic compounds (VOC)	104	n.a.
of which volatile org. compound without methane (NM-VOC)	104	n.a.
Persistent organic pollutants (POP)	n.r.	n.r.
Hazardous air pollutants (HAP)	n.r.	n.r.
Dust emissions	8	9
of which respirable fraction	n.v.	n.v.
Heavy metals	n.r.	n.r.
NO <sub>x</sub>	n.r.	n.r.
SO <sub>x</sub>	n.r.	n.r.
SF <sub>6</sub>	0	n.a.

### From Production-Related Energy Consumption

In t	2012/13	2011/12
FCKW*	<1	<1
H-FCKW*	<1	<1
Halon*	<1	<1
Methylbromide*	n.a.	n.a.
Volatile organic compounds (VOC)	461	481
of which volatile org. compound without methane (NM-VOC)	31	32
Persistent organic pollutants (POP)	<1	<1
Hazardous air pollutants (HAP)	20	20
Dust emissions	38	38
of which respirable fraction	14	14
Heavy metals	<1	<1
NO <sub>x</sub>	420	418
SO <sub>x</sub>	924	904
SF <sub>6</sub>	<1	<1

\* Ozone-depleting substances in t CFC11 equiv.

n.a. = not available, n.s. = not significant, n.r. = not recorded



**Air Pollutants from Business Travel**

In t	2012/13	2011/12
FCKW*	<1	<1
H-FCKW*	<1	<1
Halon*	0	0
Methylbromide*	n.a.	n.a.
Volatile organic compounds (VOC)	210	179
of which volatile org. compound without methane (NM-VOC)	49	42
Persistent organic pollutants (POP)	<1	<1
Hazardous air pollutants (HAP)	2	2
Dust emissions	6	5
of which respirable fraction	5	5
Heavy metals	<1	<1
NO <sub>x</sub>	152	148
SO <sub>x</sub>	89	76
SF <sub>6</sub>	<1	<1

**Air Pollutants from Transport of Goods**

In t	2012/13	2011/12
FCKW*	<1	<1
H-FCKW*	<1	<1
Halon*	0	0
Methylbromide*	n.a.	n.a.
Volatile organic compounds (VOC)	132	151
of which volatile org. compound without methane (NM-VOC)	31	35
Persistent organic pollutants (POP)	<1	<1
Hazardous air pollutants (HAP)	<1	<1
Dust emissions	6	6
of which respirable fraction	5	6
Heavy metals	<1	<1
NO <sub>x</sub>	244	258
SO <sub>x</sub>	99	119
SF <sub>6</sub>	<1	<1

\* Ozone-depleting substances in t CFC11 equiv.

n.a. = not available, n.s. = not significant, n.r. = not recorded

## Water Consumption

### Water Consumption by Region

In %	2012/13	2011/12	2010/11
Asia	19	18	19
South America	12	11	12
North America	11	9	10
Africa	<1	<1	<1
Europe	58	62	58
In m <sup>3</sup>			
<b>Total</b>	<b>1,358,844</b>	<b>1,693,309</b>	<b>1,640,539</b>

### Water Consumption by Source

In m <sup>3</sup>	2012/13	2011/12	2010/11
Surface water	120,767	102,666	118,283
Groundwater	587,829	837,320	769,965
Rainwater	6,943	10,606	12,897
Wastewater from other companies	0	0	2,778
From municipal water utility	643,305	742,717	736,617
<b>Total</b>	<b>1,358,844</b>	<b>1,693,309</b>	<b>1,640,539</b>

### Freshwater Consumption

In m <sup>3</sup>	2012/13	2011/12	2010/11
<b>Total</b>	<b>1,351,901</b>	<b>1,682,703</b>	<b>1,624,864</b>

Freshwater is defined as the total of surface water, groundwater, and tap water. Rainwater and geothermal water are not included.

### Specific Freshwater Consumption

In m <sup>3</sup> / € million in sales	2012/13	2011/12	2010/11
<b>Total</b>	<b>0.24</b>	<b>0.29</b>	<b>0.29</b>

## Wastewater

### Wastewater Drainage

In m <sup>3</sup>	2012/13	2011/12	2010/11
<b>Total</b>	<b>1,198,512</b>	<b>1,461,091</b>	<b>1,544,979</b>

Because of evaporation, the total wastewater drained differs from water consumption.

### Treated and Untreated Wastewater by Drainage Type

In m <sup>3</sup>	2012/13	2011/12	2010/11
<b>Treated wastewater total</b>	<b>156,035</b>	<b>180,568</b>	<b>249,280</b>
In %			
of which drained into the public sewage system	54	63	64
of which drained into surface water	44	34	36
of which drained into groundwater	3	2	0
of which reused at another company	0	0	0
In m <sup>3</sup>			
<b>Untreated wastewater total</b>	<b>1,042,476</b>	<b>1,280,523</b>	<b>1,295,698</b>
In %			
of which drained into the public sewage system	56	50	60
of which drained into surface water	33	34	30
of which drained into groundwater	11	16	9
of which reused at another company	<1	<1	<1

### Wastewater Quality

In t	2012/13	2011/12	2010/11
Biological oxygen demand (BOD <sub>5</sub> )	9	11	n.a.
Chemical oxygen demand (COD)	31	45	n.a.
Total suspended matter content	11	13	n.a.
Heavy metals	<1	<1	n.a.
Nitrogen	1	2	n.a.
Phosphorous	<1	<1	n.a.

The emissions in wastewater are based on the volume of wastewater streams from Voith locations subject to monitoring and the respective average of the measured concentrations.

## Significant\* Direct Wastewater Drainage in 2012/2013

Location	Drainage location	Protection status	Other information
Heidenheim (Germany)	Brenz River	Water protection area acc. to WRRL, WHG (§§ 50–53), Zone III/ IIIA (Zone II/ IIA TB Mergeltetten, not yet final)	57% of wastewater is returned to the natural water cycle. The water was previously used for cooling purposes. The discharged water is subject to strict controls, as the location is in a water protection zone.
Högsjö (Sweden)	Lake Högsjö	–	93% of wastewater is returned to the natural water cycle. The water was previously used for cooling purposes.
Ibarra (Spain)	Río Oria	–	45% of wastewater is returned to the natural water cycle.
Krefeld (Germany)	Green spaces	–	19% of well water is used for watering green spaces.
Noida (India)	Yamuna River	–	100% of wastewater is returned to the natural water cycle.
São Paulo (Brazil)	Perus River	Permanent Protection Area (APP), national law (Brazil)	98% of wastewater is returned to the water cycle. We have purification equipment locally with which the water is treated for drainage. The location is adjacent to a water protection zone.
Wimpassing (Austria)	Schwarza River	–	73% of cooling water is returned to the Schwarza.

\* “Significant” is considered to be wastewater in surface water that exceeds 5% of the total water volume of the observed unit.

The size and/ or volume of the drainage locations cannot be determined.

## Waste

### Waste by Region

In %	2012/13	2011/12	2010/11
Asia	13	13	11
South America	27	23	21
North America	8	9	9
Africa	<1	<1	<1
Europe	52	55	58
In t			
<b>Total</b>	<b>49,436</b>	<b>51,505</b>	<b>58,985</b>

### Specific Waste Weight

In t / € million in sales	2012/13	2011/12	2010/11
<b>Specific waste weight</b>	<b>8.63</b>	<b>9.00</b>	<b>10.54</b>

### Reclaimed and Removed Waste by Method

In t	2012/13	2011/12	2010/11
Reclaimed waste	32,182	32,820	39,240
Reused	350	818	875
Recycled	25,710	25,499	30,072
Composted	162	174	198
Recovered	4,828	5,134	5,829
Other reclamation	1,132	1,195	2,264
Removed waste	17,254	18,686	19,746
Incinerated	3,372	5,135	5,551
Dumped at an external site*	13,882	13,551	14,194
Dumped at a company site	0	0	0
Other removal	0	0	0
<b>Total</b>	<b>49,436</b>	<b>51,505</b>	<b>58,985</b>

\* Foundry sand waste from the foundry in São Paulo; waste disposal in the US.

### Hazardous and Non-hazardous Waste

In t	2012/13	2011/12	2010/11
Hazardous waste	14,624	14,212	17,111
Non-hazardous waste	34,812	37,294	41,874
<b>Total</b>	<b>49,436</b>	<b>51,505</b>	<b>58,985</b>

## Biodiversity

### Locations in Protected Zones or Adjacent to Protected Zones in Fiscal Year 2012/13

#### Voith Heidenheim, Germany

Location	Heidenheim, Baden-Württemberg
Type of operations	Production, services, administration
Area	0.33 km <sup>2</sup>
Type of protected area	Water protection area (freshwater, groundwater, drinking water)
Location in relation to protection area	Located in the water protection area and encompasses an area rich in biodiversity (water bat <i>Myotis daubentonii</i> )
Protection status	Water protection area according to WFD, Federal Water Act (§§ 50–53), Zone III/ IIIA (Zone II/IIA TB Mergelstetten, not legally binding)

#### Voith Paper Krieger GmbH & Co. KG, Germany

Location	Mönchengladbach, North Rhine-Westphalia
Type of operations	Production, administration
Area	0.015 km <sup>2</sup>
Type of protected area	Water protection area (drinking water)
Location in relation to protection area	Located in the water protection area
Protection status	Water protection area according to WFD (EU Directive), Zone IIIA, "Hoppbruch" drinking water protection area

<b>Voith Paper Ltd., UK</b>	
Location	Manchester
Type of operations	Production, administration
Area	0.024 km <sup>2</sup>
Type of protected area	Freshwater, groundwater
Location in relation to protection area	Neighbors a Natura 2000 protection area
Protection status	Rochdale Canal (inland water body): European legislation, designated by Natura 2000 as a Special Area of Conservation (SAC)

<b>Voith Paper Máquinas e Equipamentos Ltda., Brazil</b>	
Location	São Paulo
Type of operations	Production, foundry, administration
Area	0.34 km <sup>2</sup>
Type of protected area	Green corridor along the River Persus to maintain biodiversity and protect groundwater
Location in relation to protection area	São Paulo is located in and neighbors a Permanent Protection Area (PPA)
Protection status	Permanent Protection Area (PPA), national legislation (Brazil)

<b>Voith Paper Fabrics AS, Norway</b>	
Location	Lier, Tranby
Type of operations	Administration, warehousing
Area	0.0016 km <sup>2</sup>
Type of protected area	"Gjellebekkmyrene-Naturreservat" (marsh) and "Tranby Landskapsvernområde" (former army drill ground)
Location in relation to protection area	Neighbors two nature protection areas
Protection status	National legislation (Norway)

## Land Use

In km <sup>2</sup>	2012/13	2011/12	2010/11
Land used	3.8	3.7	n.a.
In %			
Non-sealed area	48	47	n.a.
Sealed area	52	53	n.a.

# Responsibility for Employees

## Consolidation Scope

### Consolidation Scope for Employee Headcount in Fiscal Year 2012/13

Headcount	2012/13
Employees Group-wide	47,111
of which employees included in data analysis	42,482

\* Unlike in the annual report, employee figures in the Sustainability Report are represented by headcount rather than by statistical values. The calculation of employee headcount Group-wide is based on a different calculation method than in fiscal year 2010/11.

## Workforce Structure

### Employees by Region and Gender in Fiscal Year 2012/13

Number	Voith Group	Europe	North America	South America	Asia	Africa
Women	9,125	6,255	1,121	874	840	35
Men	33,357	21,368	3,801	4,843	3,251	94
<30 years	8,602	4,839	924	1,588	1,242	9
30–50 years	22,388	14,422	2,158	3,205	2,521	82
>50 years	11,492	8,362	1,840	924	328	38
<b>Total</b>	<b>42,482</b>	<b>27,623</b>	<b>4,922</b>	<b>5,717</b>	<b>4,091</b>	<b>129</b>

### Full-Time and Part-Time Employees by Region and Gender in Fiscal Year 2012/13

Number	Voith Group	Europe	North America	South America	Asia	Africa
Full-time	33,656	19,146	4,703	5,596	4,082	129
of which are women	5,321	2,525	1,058	869	834	35
of which are men	28,336	16,622	3,645	4,727	3,248	94
<30 years	6,713	3,096	851	1,521	1,236	9
30–50 years	17,641	9,811	2,073	3,154	2,521	82
>50 years	9,303	6,240	1,779	921	325	38
Part-time	8,826	8,477	219	121	9	0
of which are women	3,804	3,730	63	5	6	0
of which are men	5,021	4,746	156	116	3	0
<30 years	1,889	1,743	73	67	6	0
30–50 years	4,747	4,611	85	51	0	0
>50 years	2,189	2,122	61	3	3	0
<b>Total</b>	<b>42,482</b>	<b>27,623</b>	<b>4,922</b>	<b>5,717</b>	<b>4,091</b>	<b>129</b>

Reference: Sustainability database (see "About this report" on the front cover).



## Workforce Fluctuation

### Newly Hired Employees\* by Gender, Age Group, and Region in Fiscal Year 2012/13

Number	Voith Group	Europe	North America	South America	Asia	Africa
Women	2,639	1,957	247	272	157	6
Men	7,300	4,672	782	1,320	519	7
<30 years	3,887	2,359	401	819	306	2
30–50 years	4,473	3,060	422	677	303	11
>50 years	1,579	1,210	206	96	67	0
<b>Total</b>	<b>9,939</b>	<b>6,629</b>	<b>1,029</b>	<b>1,592</b>	<b>676</b>	<b>13</b>

\* Multiple counting possible as a result of employees who rejoin the company.

### Employees Who Left the Company in Fiscal Year 2012/13

In %	Mechanical and plant engineering	Service business	Total
Total	7.20	26.09	15.87
at the initiative of the employee	3.17	8.76	5.65
at the initiative of the employer	2.95	15.56	8.92
Other	1.08	1.69	1.30

Reference: This data was not recorded in the sustainability database. It therefore covers 43,460 rather than 42,482 employees.

## Employee Retention

### Newly Employed Employees Who Left Voith within Twelve Months\*, by Gender, Age Group, and Region in Fiscal Year 2012/13

Number	Mechanical and plant engineering	Europe	North America	South America	Asia	Africa
Women	39	8	11	10	10	0
Men	181	15	19	95	51	1
<30 years	92	8	9	40	35	0
30–50 years	95	11	11	49	23	1
>50 years	33	4	10	16	3	0
<b>Total</b>	<b>220</b>	<b>23</b>	<b>30</b>	<b>105</b>	<b>61</b>	<b>1</b>

Number	Service business	Europe	North America	South America	Asia	Africa
Women	615	464	40	56	55	0
Men	1,352	800	122	345	85	0
<30 years	796	481	87	193	35	0
30–50 years	900	581	50	177	92	0
>50 years	271	202	25	31	13	0
<b>Total</b>	<b>1,967</b>	<b>1,264</b>	<b>162</b>	<b>401</b>	<b>140</b>	<b>0</b>

\* The figures include employee or employer terminations as well as other terminations (retirement, death) that led to the employee's departure from the company. Thus, transfers within the Group are not included. Temporary contracts are also not included.

### Average Employment Length in Mechanical and Plant Engineering and in the Service Business by Region

In years	Total			Mechanical and plant engineering			Service business		
	2012/13	2011/12	2010/11	2012/13	2011/12	2010/11	2012/13	2011/12	2010/11
Europe	9.14	9.53	9.23	15.09	15.05	14.93	5.33	6.08	5.63
North America	7.56	7.59	8.24	11.99	13.46	13.57	4.07	3.86	4.11
South America	5.61	5.27	4.95	8.75	8.41	7.28	3.24	2.82	2.61
Asia	5.36	5.36	5.19	5.88	5.8	5.85	3.00	4.08	2.53
Other	5.97	9	8	7.44	9	8	4.05	n.a.	n.a.

Reference: This data was not recorded in the sustainability database.  
It therefore covers 47,111 rather than 42,482 employees.

## Work-Life Balance

### Parental Leave in Fiscal Year 2012/13

Number	Voith Group	Europe	North America	South America	Asia	Africa
Total parental leave take-up	686	601	18	21	42	4
Women	335	264	9	21	39	2
Men	351	337	9	0	3	2
Employees who returned to Voith after parental leave	472	407	16	18	27	4
Women	160	110	6	18	24	2
Men	312	297	10	0	3	2
Employees who returned to Voith after parental leave who are still at Voith 12 months after returning	360	313	9	10	24	4
Women	132	95	3	10	22	2
Men	228	218	6	0	2	2

Because of the number of regulations, it is not possible to say how many employees in total are entitled to parental leave. Voith abides by national laws and the collective bargaining agreements valid for the company. To the extent that they contain regulations on parental leave entitlement, Voith supports them.

## Occupational Safety

### Work Accidents

Number	2012/13	2011/12	2010/11
Work accidents	181	208	344
Frequency Rate	2.3	2.8	4.7
Severity Rate	425.1	445.9	703.4
Work accidents resulting in fatalities	1*	0	n.a.

\* Unfortunately, there was one accident during the reporting period that resulted in death.  
Two employees on a service call were involved in a car accident in which one was killed.

## Training and Further Education

### Training and Further Education

In €	2012/13	2011/12	2010/11
Total expenditures	2,932,230	3,445,765	3,071,386

Reference: Germany, in part

### Vocational Training

Number	2012/13	2011/12	2010/11
Apprentices and students at cooperative universities	1,197	1,206	1,246

Reference: Voith Group

## Diversity

### Women in Senior Management Circle (SMC)

Number	2012/13	2011/12	2010/11
Women in SMC	7	4	3
SMC total	92	94	90
In %			
Proportion of women in SMC	7.6	4.3	3.3

Reference: Voith Group

### Distribution of Women and Men at Management Level in Fiscal Year 2012/2013

Number	Women	Men
Group Board of Management, Executive Team, Senior Management Circle	7	99
Regional directors/ chairperson, Board of Management of operating units, heads of product groups, managers in Group management functions	40	398
Mid- and lower-level management	76	691
<b>Total</b>	<b>123</b>	<b>1,188</b>

Reference: This data was not recorded in the sustainability database. It therefore covers 47,111 rather than 42,482 employees.

### Employment Ratio of People with Disabilities

In %	2012/13	2011/12	2010/11
Employment ratio of people with disabilities	3.8	3.61	3.25

Reference: Voith Germany excluding Voith Industrial Services. The figures comprise people with serious disabilities for whom there was a certificate of serious disability.

# Responsibility for Society

## Not-for-Profit Engagement

### Donations and Sponsoring

In € million	2012/13	2011/12	2010/11
Voith Group	0.95	1.87	1.67
Hans-Voith-Foundation	0.40	0.38	0.30
Fundação Voith	0.43	0.27	0.40
<b>Total</b>	<b>1.78</b>	<b>2.52</b>	<b>2.37</b>

Reference: Voith Group

### Sponsorship Aid by Project

In %	2012/13	2011/12	2010/11
Education	28.5	33.08	44
Social affairs	14.9	24.39	13
Sport	45.1	27.17	32
Culture	11.5	15.36	11
In € million			
<b>Total</b>	<b>1.78</b>	<b>2.52</b>	<b>2.37</b>

## Taxes Paid

### Taxes Paid by Region

In € thousands	2012/13	2011/12	2010/11
Germany	-11,468*	41,090	47,122
Other Europe	22,437	12,515	17,383
America	16,999	24,550	29,204
Asia	13,617	21,983	14,690
Other	3,407	3,656	3,992
<b>Total</b>	<b>44,992</b>	<b>103,794</b>	<b>112,390</b>

Reference: Voith Group

\* The excess of tax refunds from tax payments made in Germany is based on a series of interim audits at domestic companies, which led to tax reimbursement.

# Goals and Goal Achievement

## Sustainable Management

Strategic goals and measures	Date	Status in fiscal year 2012/13	
		Description	
<b>Systemization and internationalization of the stakeholder dialog</b>			
Establishment of stakeholder dialog based on megatrends relevant for the company	FY 2014/15	Online stakeholder survey conducted	Ongoing
Conduct a global online stakeholder survey	FY 2012/13	Conducted from October to November 2013	Achieved
<b>Firm establishment of sustainability among employees</b>			
Inclusion of sustainability topic at induction events for new employees	FY 2013/14	Rescheduled	Ongoing
Conduct training on the issue of sustainability at the Voith Academy	FY 2013/14	Rescheduled	Ongoing
Planning of a global training concept; establishment of a cross-functional working group	FY 2013/14	Working group established; concept for pilot application in one region prepared	Ongoing
<b>Expansion of sustainability management</b>			
Development of KPIs for the social area	FY 2013/14	Proposals by the working group of the Voith executive team worked out	Ongoing
Inclusion of the Frequency Rate and Severity Rate in the Management Reporting Tool (MRT)	FY 2012/13		Achieved
Inclusion of the sustainability agenda item in the advisory board agenda	FY 2013/14	Implemented in some regions; regular topic at the meetings of Group and Group Division meetings	Ongoing
Depiction of all sustainability goals and the level to which they have been achieved in MRT by Group Division	FY 2013/14		New
Merger of existing databases into one standard database	FY 2014/15		New
<b>Ensuring compliance</b>			
Inform employees about export controls	FY 2012/13		Achieved
Expand the PC learning program for management culture (management and employees)	FY 2012/13		Achieved
Implementation of the Content Management System and review of effectiveness	FY 2012/13		Achieved
Implement instructions and training for all employees	FY 2012/13		Achieved
<b>Supplier management</b>			
Supplier self-assessment ratio (SSA ratio): introduction with the goal of obtaining 80% of purchased goods and services (based on purchasing volume) from suppliers who have a current self-assessment	FY 2014/15		New
Increase the proportion of goods procured from evaluated suppliers to 76% (of purchasing volume)	FY 2012/13		Achieved
Increase the proportion of goods procured from evaluated suppliers to 79% (of purchasing volume)	FY 2013/14		New
Introduction of the sustainability ratio as a KPI in purchasing	FY 2012/13		Achieved
Revision of evaluation criteria for complying with environmental and social standards in the supplier database	FY 2013/14	Approval of the revision by the Global Purchasing Board planned in July 2014	Ongoing
Implementation of the Blocked Supplier Concept for blocking suppliers	FY 2013/14		New

## Responsibility for the Environment

Strategic goals and measures	Date	Status in fiscal year 2012/13	
		Description	
<b>Resource management</b>			
Reduction of specific freshwater consumption by 10% (Basis 2011/12)	FY 2017/18	Reduction by 20% (Basis 2011/12)	Ongoing
Reduction of specific waste volume by 25% (Basis 2011/12)	FY 2017/18	Reduction by 4.1% (Basis 2011/12)	Ongoing
Reduction of energy needs by 20% (Basis 2011/12)	FY 2017/18	Reduction by 0.4% (Basis 2011/12)	Ongoing
Further development of EBM controlling through monthly recording and reporting	FY 2012/13	Monthly reporting to the CEO and Group Board of Management	Achieved
EBM method for analyzing energy, water and material flows to production locations: expansion of new tools and setup of an EBM toolbox	FY 2013/14		Achieved
Development of a standard method for increasing material efficiency in production	FY 2014/15		Ongoing
Development of a Group policy for renovations and new construction, taking account of energy efficiency factors	FY 2015/16		Ongoing
Study to define environmental assessment criteria when hiring logistics services in cooperation with a college	FY 2013/14		Ongoing
Application of a study on raw materials shortages to selected products	FY 2014/15	Critical raw materials for key components known, strategies derived	Achieved
<b>Operational environmental protection</b>			
Introduction of the Eco Compliance Concept, incl. related software, worldwide; rescheduled because of organizational changes	FY 2014/15	Rolled out in 19 locations worldwide (corresponds to 50% of sales)	Ongoing
Introduction of a global, standardized hazardous materials management process	FY 2013/14	Process defined, workflow in programming, local hazardous materials databases being merged, interfaces with ERP systems being implemented	Ongoing
Implementation of a Group-wide reporting system for recording environmentally relevant incidents	FY 2012/13	Monthly reporting to the CEO and Group Board of Management	Achieved
Implementation of a Group-wide reporting system for recording work accidents, environmental incidents, and other relevant incidents	FY 2014/15		New

## Product Responsibility

Strategic goals and measures	Date	Status in fiscal year 2012/13	
		Description	
<b>Energy- and resource-efficient products</b>			
Conducted a pilot project on eco technology transfer	FY 2012/13	LED factory lighting in Kunshan and Heidenheim, energy efficient press concept for an automobile supplier, energy advisory tool for green services	achieved
Rescheduled: development of tools and models for assessing products and services regarding energy and resource efficiency	FY 2013/14	Eco-efficiency worked out and applied in a pilot	achieved
Rescheduled: assessment of development processes of products and services regarding energy and resource efficiency	FY 2014/15		Ongoing
Rescheduled: include "product energy efficiency" as a criterion in development process and risk checklist	FY 2014/15		Ongoing

## Responsibility for Employees

Strategic goals and measures	Date	Status in fiscal year 2012/13	
		Description	
<b>Diversity &amp; Inclusion</b>			
Firmly establish diversity and inclusion in the corporate culture through an awareness campaign	FY 2014/15	Train-the-Trainer concept; training of trainers as good as completed; awareness workshops start in FY 2013/14	Ongoing
Increase proportion of women (senior management) from 4.5 to 10%	FY 2014/15	Regional activities as part of the Diversity & Inclusion Program	Ongoing
Increase proportion of women in technical careers (Germany)	FY 2014/15	Regional activities as part of the Diversity & Inclusion Program	Ongoing
<b>Promotion of family-friendly policies</b>			
Launch and expansion of the intranet site "Family & Job" for offers in all German locations	FY 2012/13		Achieved
Expand offer of family support measures in Germany	FY 2013/14	FY 2012/13: start of a cooperation agreement throughout Germany with an external service provider that advises Voith employees with family members who require care and supports additional permanent measures, such as offers for holiday support in various locations; existing offers will now be maintained and expanded	Ongoing
<b>Support of managers and employees</b>			
Introduction of the module learning and development for the "People Excellence Platform"	FY 2015/16	Project started	Ongoing
Implementation of management programs in all regions	FY 2013/14		Achieved
Annual feedback meeting with all employees; degree of coverage: 100% of all employees (not specified)	FY 2014/15	Future standardization through corresponding module for the "People Excellence Platform" (PEP)	Ongoing
Introduction of a Group-wide standardized development center procedure (Career Compass)	FY 2013/14		New
Talent management: pilot project for employee recruiting in China	FY 2013/14		New



<b>Data collection</b>			
Implementation of a global database for collecting the basic data of all employees	FY 2014/15	Basic data of all employees in Germany, China, Brazil, and various other countries integrated; completed in Q3/2014	Ongoing
Further development of Group-wide key figures in the HR area; focus on KPIs in the transformation context	FY 2013/14	Similar to implementation of basic data (see above)	Ongoing
<b>Training and further education</b>			
Preparation and implementation of a uniform "Global Graduate Program"	FY 2013/14	Small groups start with five graduate (trainees: 3 German, 2 Chinese)	New
<b>Increase workplace safety</b>			
Reduce accident ratio to less than two accidents per million work hours	Medium term		Ongoing
Publication of additional Safety Group Directives	FY 2012/13		Achieved
Creation of regional networks for occupational health in the US and China	FY 2012/13		Achieved
Recording of accident severity	FY 2012/13		Achieved
Benchmarking and setting of objectives for reducing accident severity	FY 2013/14	Voith Group under 350 hours not worked per 1 million working hours, no Group Division over 400 hours not worked per 1 million working hours	Ongoing
Make managers aware of workplace safety	FY 2015/16		Ongoing
<b>Health protection</b>			
Establishment of a comprehensive concept for occupational health management	FY 2014/15	Basic concept of development is ready; current rollout in Germany, adjusted rollout in the regions	Ongoing
Development and introduction of a standardized reporting system for management, incl. uniform definition and introduction of sick time	FY 2012/13	Current verification of the data quality and initial analyses	Definition and data collection achieved
Establishment of a specific KPI system for occupational health management	FY 2014/15		Ongoing
Rollout of a standardized company medical support system (Germany)	FY 2013/14	Initial meeting of company doctor planned for 2014	Ongoing
Support during the reintegration of employees with long-term illnesses (German)	FY 2013/14	Establishment of BEM team at all locations in Germany	New
Introduction of an international procedure for occupational reintegration management adjusted to local needs	FY 2014/15	2014 start in Brazil	New
Establishment of an internal network for standardizing workplace medicine across Germany	FY 2013/14		New
Provide information to employees on the topics of ergonomics, skin, noise, and respiratory protection (approx. every two months) for reducing work-related illnesses	FY 2013/14		New

## Responsibility for Society

Strategic goals and measures	Date	Status in fiscal year 2012/13	
		Description	
<b>Next generation development</b>			
Develop next generation of engineers and college graduates in technical courses	FY 2013/14	Award stipends and sponsorships via the Hanns-Voith-Foundation	Achieved

# GRI Index

Organization and Reporting Profile	Comment	Status		Reference
		Reported	Fulfilled	
<b>1. Strategy and Analysis</b>				
1.1	Statement from the Chairman of the Board of Management or the Supervisory Board	●	✓	4–5
1.2	Central key impacts, risks, and opportunities with regard to sustainability	●	✓	10, 13–14, 67–70; AR 108–111
<b>2. Organizational Profile</b>				
2.1	Name of the company	●	✓	8
2.2	Primary brands, products, and/or services	●	✓	7–9
2.3	Business divisions and company structure	●	✓	8; AR 200–205
2.4	Location of company headquarters	●	✓	8
2.5	Countries with major operations	●	✓	Inner cover, 7; AR 200–206
2.6	Ownership structure	●	✓	8
2.7	Markets	●	✓	Inner cover, 8–9
2.8	Scale of the company	●	✓	8–9, 50; AR 2, 123
2.9	Significant changes during the reporting period	●	✓	AR 129–131
2.10	Awards received in the reporting period	●	✓	AR 81, 86, 111
<b>3. Report Parameters</b>				
3.1	Reporting period	●	✓	Inner front cover
3.2	Date of most recent previous report	●	✓	June 2013
3.3	Reporting cycle	●	✓	Inner front cover
3.4	Contact point for questions regarding this report	●	✓	Inner back cover
3.5	Process for defining report content	●	✓	Inner front cover
3.6	Boundary of the report	●	✓	Inner front cover
3.7	Limitations on the scope or boundary of the report	●	✓	Inner front cover
3.8	Joint ventures, subsidiaries, outsourcing	●	✓	Inner front cover
3.9	Data collection	●	✓	Inner front cover, 11, 22, 54, 58
3.10	Changes regarding the presentation of information compared to previous reports	●	✓	Inner front cover
3.11	Changes to the scope, boundary, or measurement methods	●	✓	Inner front cover, 40
3.12	Index according to GRI	●	✓	71–76
3.13	External verification	●	✓	Only the reported economic indicators have been verified externally. They were verified by the auditing firm Ernst & Young as part of auditing of the Annual Report 2013.
<b>4. Governance, Commitments, and Engagement</b>				
4.1	Governance structure	●	✓	8; AR 6–13
4.2	Independence of the Chairman of the Supervisory Board	●	✓	AR 6–7, 12–13
4.3	Governance body and number of independent management board members	○ <sup>1</sup>	✓	Irrelevant indicator as Voith has a Supervisory Board that monitors the Board of Management.
4.4	Mechanisms for shareholders and employees to provide recommendations to the Board of Management or Supervisory Board	●	✓	Voith GmbH is entirely family-owned. The Voith family exercises its co-determination right through the Shareholders' Committee.
4.5	Linkage between compensation for the Board of Management and the company's performance	●	✓	AR 198
4.6	Mechanisms for avoiding conflicts of interest	●	✓	12; www.voith.com/Code of Conduct
4.7	Expertise of governance body in the area of sustainability	●	✓	10–11; www.voith.com/kgf
4.8	Statements of mission or values, codes of conduct, and principles	●	✓	12

Organization and Reporting Profile	Comment	Status		Reference
		Reported	Fulfilled	
4.9	Procedures of the Board of Management or Supervisory Board for overseeing performance in terms of sustainability	●	✓	10–12, 40, 67; AR 9–10
4.10	Procedures for evaluating the Board of Management's own performance	○ <sup>3</sup>	✓	
4.11	Implementation of the precautionary principle	●	✓	10; AR 106
4.12	Endorsement of external initiatives	●	✓	11, 13
4.13	Memberships in associations and advocacy organizations	●	✓	13
4.14	Involved stakeholder groups	●	✓	13
4.15	Selection of stakeholders	●	✓	13
4.16	Approaches to stakeholder engagement (type/frequency)	●	✓	Inner front cover, 13, 31
4.17	Response to key concerns raised by stakeholders	●	✓	Inner front cover, 13
<b>Management Approach and Performance Indicators</b>				
<b>Economy</b>				
Management approach				
		●	✓	9–10, 46
EC1	Economic value generated and distributed	●	✓	8, 37, 46, 66; AR 120, 169
EC2	Financial impact of climate change	○	✓	10; AR 66, 80, 111
		The financial impact of climate change is not reported in a quantifiable manner by Voith. It depends on factors that we cannot influence. Quantifiable reporting will not be possible in the future either.		
EC3	Company's benefit plan obligations	●	✓	AR 170–173
EC4	Financial assistance received from government	●	✓	AR 177
EC5	Relationship between standard starting salary (by gender) and local minimum wage	●	✓	37
EC6	Spending on locally-based suppliers	●	✓	9, 14–15, 50
EC7	Employment of local employees in management positions	○ <sup>2</sup>	✓	9, 42
		To date, Voith has not reported the percentage of local managers. We intend to report this information in fiscal year 2013/14.		
EC8	Infrastructure investments and services for public benefit	●	✓	45–48
EC9	Indirect economic impacts	n.d.		
<b>Environmental Protection</b>				
Management approach				
		●	✓	10, 18–19, 26–27, 30, 32
EN1	Materials used by weight or volume	●	✓	14, 23–24
EN2	Percentage of materials used that are recycled input materials	●	✓	24
EN3	Direct energy consumption by primary energy source	●	✓	19–20, 52–53
		Total production-related direct energy consumption 2012/13: 196,747 MWh = 708,289 GJ.		
EN4	Indirect energy consumption by primary energy source	●	✓	19–20, 52
		Total production-related indirect energy consumption 2012/13: 404,451 MWh = 1,456,024 GJ.		
EN5	Energy saved	●	✓	19–20, 22
EN6	Energy-efficient products and services	○ <sup>1</sup>	✓	32–33
		Our products are mainly subcomponents used in customer-specific end-to-end systems. The components used individually influence the end-to-end system's power consumption. This is why we develop tools and models to assess products and services in relation to energy and resource efficiency.		
EN7	Initiatives to reduce indirect upstream/downstream energy consumption	○	✓	20–22

Organization and Reporting Profile	Comment	Status		Reference
		Reported	Fulfilled	
EN8 Total water withdrawal by source		●	✓	24–25, 57
EN9 Water sources significantly affected by withdrawal of water		n.d.		
EN10 Recycled and reused wastewater		●	✓	25–26
EN11 Land used in protected areas		●	✓	27, 60–61
EN12 Impacts of activities in protected areas		●	✓	27
EN13 Protected or restored natural habitats		n.d.		
EN14 Strategies for biodiversity		●	✓	27
EN15 Affected animal species and plant varieties		●	✓	60
EN16 Direct and indirect greenhouse gas emissions		●	✓	20–22, 53
EN17 Other relevant greenhouse gas emissions (e.g. due to business travel)		●	✓	22, 54
EN18 Reduction of greenhouse gases		●	✓	20
EN19 Ozone-depleting substances by weight		●	✓	27, 55–56
EN20 NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions by weight		●	✓	27, 55–56
EN21 Wastewater discharges		●	✓	26, 57–58
EN22 Waste by type and disposal method		●	✓	23–24, 60
EN23 Total number and volume of significant spills	During the fiscal year, there were no incidents in production, warehousing, or transport where significant volumes of harmful substances were released.	●	✓	
EN24 Transported, imported, exported, and treated hazardous waste		●	✓	23
EN25 Water bodies significantly affected by wastewater discharges		●	✓	59
EN26 Initiatives to mitigate environmental impacts of products and services	Our products are mainly subcomponents used in customer-specific end-to-end systems. The components used individually influence the end-to-end system's power consumption. This is why we develop tools and models to assess products and services in relation to energy and resource efficiency.	○ <sup>1</sup>	✓	32–33
EN27 Percentage of products sold and their packaging materials that are reclaimed	Full reporting is not relevant for Voith, as only very small quantities of packaging materials are used, depending on the product.	○	✓	23–24
EN28 Fines/sanctions for non-compliance with environmental laws and regulations	Fines and non-monetary sanctions for non-compliance with environmental laws not reported.	●	✓	
EN29 Environmental impacts due to transport		●	✓	22, 54
EN30 Environmental protection expenditure and investment		n.d.		
<b>Labor Practices and Decent Work</b>				
Management approach		●	✓	10, 36–38, 40–42, 69–70
LA1 Entire workforce by employment status, region, and gender	Information about permanent/temporary employment contracts broken down by gender is still not reported by Voith, as this data is not available. We want to start reporting this data in 2015.	○	✓	37, 62
LA2 Rate of employee turnover by age group, gender, and region		●	✓	37, 63
LA3 Benefits provided only to full-time employees		n.d.		
LA4 Percentage of employees covered by collective bargaining agreements		●	✓	37
LA5 Minimum notice period(s) regarding significant operational changes		●	✓	37

Organization and Reporting Profile	Comment	Status		Reference	
		Reported	Fulfilled		
LA6	Percentage of total workforce represented in industrial safety committees	75% of the global workforce is actively involved in industrial health and safety via committees comprising equal numbers of employees and safety experts.	●	✓	
LA7	Injuries, absenteeism, and fatalities	The following information is not currently recorded: – Frequency of work-related accidents by region and gender – Days lost and total absenteeism – Occupational diseases	○ <sup>2</sup>	✓	40–41, 64
LA8	Risk control and programs relating to serious diseases		●	✓	35, 41
LA9	Industrial health and safety agreements with unions		n.d.		
LA10	Hours of training and further education by employee category	The following information is not currently recorded: – Distribution of the average hours of further education by employee category and gender We would like to be able to report this information by 2015.	○ <sup>2</sup>	✓	39
LA11	Knowledge management and lifelong learning	Our support programs for employees exiting the company (such as owing to age) differ at a local level and cannot be reported owing to the complexity of the data.	●	✓	38–39
LA12	Performance assessment and development planning	Voith does not record the gender of employees involved in an employee or goal-agreement dialog as the discussions are not gender-related.	●	✓	38
LA13	Composition of governance bodies and breakdown of employees (e.g. age/gender/minority group membership)	The following is not reported for internal reasons: – Information regarding whether employees and managers belong to a minority group	○ <sup>3</sup>	✓	42, 62, 65; AR 6–7, 12–13; www.voith.com/kgf
LA14	Remuneration by gender and employee category	The following is not reported for internal reasons: – The ratio of the salary actually paid (including age-related and performance-related remuneration components, etc.) between women and men	○ <sup>3</sup>	✓	37
LA15	Return to work rate following parental leave		●	✓	42–43, 64
<b>Human Rights</b>					
Management approach			●	✓	10, 14–15, 36, 67
HR1	Investment agreements with clauses or screening relating to human rights	All investment agreements are subject to our Code of Conduct, which includes the topic of human rights.	○	✓	
HR2	Percentage of suppliers that have undergone screening on human rights and actions taken		●	✓	14–15
HR3	Employee training on human rights	The number of training hours on human rights is not recorded globally by Voith. Human rights are a component of, among others, compliance training.	○	✓	15
HR4	Incidents of discrimination and actions taken		●		42
HR5	Operations in which the right to exercise freedom of association may be at significant risk		●	✓	14–15, 36
HR6	Operations with increased risk for child labor and measures		●	✓	14–15, 36
HR7	Operations with increased risk for forced labor and measures		●	✓	14–15, 36
HR8	Training of security personnel for aspects of human rights that are relevant to operations		n.d.		
HR9	Incidents of violation involving rights of indigenous people	Upholding the rights of indigenous people is not immediately relevant for Voith, as Voith's operations currently do not pose any potential risk.	○ <sup>1</sup>	✓	

Organization and Reporting Profile	Comment	Status		Reference
		Reported	Fulfilled	
HR10 Review of operations for impacts on human rights	The Code of Conduct applies Group-wide at Voith and guidelines on human rights are also a component of our general procurement conditions for suppliers.	●	✓	14–15, 36
HR11 Complaints due to human rights infringements	The Voith whistle-blower system also includes complaints regarding human rights violations. However, Voith does not report on the number, as the data is subject to confidentiality.	○	✓	14–15
<b>Society</b>				
Management approach		●	✓	10, 12–13, 46, 67
SO1 Impact of operations on communities or regions	Voith maintains a continuous exchange of information with the communities where its sites are located. This also includes construction projects.	●	✓	46
SO2 Percentage of business units analyzed for risks related to corruption	Voith does not report on the percentage of business units analyzed for risks related to corruption. At Voith, corruption risks are part of internal reviews and external audits. Quantitative data is subject to confidentiality.	○ <sup>3</sup>	✓	
SO3 Percentage of employees trained in prevention		●	✓	13, 51
SO4 Actions taken in response to incidents of corruption	The Voith whistle-blower system also includes corruption cases. However, Voith does not report on the number, as the data is subject to confidentiality.	○	✓	
SO5 Public policy positions and participation in public policy development and lobbying	Voith availed itself of its expertise in discussions with political representatives as part of the development of its sustainability standard ISO 26000 and OHSAS 18001.	●	✓	
SO6 Contributions to political parties and politicians		●	✓	46
SO7 Legal actions due to anti-competitive behavior		n.d.		
SO8 Fines/sanctions for non-compliance with laws and regulations	There are no significant fines.	●	✓	
SO9 (Potential) negative impacts on local communities		●	✓	17, 26–27
SO10 Prevention of negative impacts on local communities		●	✓	17, 26–27
<b>Product Responsibility</b>				
Management approach		●	✓	10, 30; AR 108
PR1 Life cycle stages in which health and safety impacts of products are assessed		●	✓	31
PR2 Incidents of non-compliance with regulations concerning health and safety of products		n.d.		
PR3 Guidelines/procedures for providing product information		●	✓	31–33
PR4 Non-compliance with regulations and voluntary codes to provide information on products and services		n.d.		
PR5 Survey of customer satisfaction		○	✓	31
PR6 Programs for adherence to laws and voluntary codes related to marketing communications	We abide by legal requirements for our advertising and marketing. The Compliance Committee monitors compliance.	●	✓	
PR7 Non-compliance with regulations and voluntary codes concerning marketing communications	We are not aware of any infringements of regulations or voluntary codes concerning marketing communications in the reporting year 2012/13.	●	✓	
PR8 Substantiated data protection complaints	In the reporting year, there were no complaints due to data-protection infringements and no recorded instance of data theft.	●	✓	
PR9 Significant fines for non-compliance with laws and regulations concerning the provision and use of products and services		○ <sup>3</sup>	✓	

**Indications and Abbreviations:**

Indicators in black = Core indicators

Indicators in grey = Additional indicators

Unless stated otherwise, the page numbers given in the "Reference" column refer to this Sustainability Report 2013 produced by Voith. Other page references refer to the Annual Report 2013 produced by Voith (AR). Furthermore, in some cases a specific reference is made to the corporate Web site at [www.voith.com](http://www.voith.com). You will find a corresponding comment for references to the "Comment" column.

**Current status of the reporting of indicators:**

- = Fully reported
- ◐ = Partially reported (indicating an official non-reporting reason)
- = Not reported (indicating an official non-reporting reason)
- n.d. = No data collected

**Official reasons why information was not reported under GRI Guidelines (indicated by index number):**

1 = Not important or not applicable for Voith.

2 = No information or data currently available at Voith as this is not yet included in our data-collection systems. Please refer to the indicator comment in the table for details on when it is likely to be possible to report this data and information.

3 = Reporting not allowed/proprietary to Voith.

For further information on the reasons why information was not reported under GRI Guidelines, see the Global Reporting Initiative website at, <https://www.globalreporting.org/information/FAQs/Pages/Application-Levels.aspx>.



## Imprint

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### **Further Information**

This report is also available in German.

The German and English editions are available on the Internet at,

[www.voith.com/de/konzern/nachhaltigkeit-178.html](http://www.voith.com/de/konzern/nachhaltigkeit-178.html)

[www.voith.com/en/group/sustainability-178.html](http://www.voith.com/en/group/sustainability-178.html)

In addition to the Sustainability Report, Voith also publishes a comprehensive Annual Report at the end of the fiscal year. This is available on the Internet at, <http://www.voith.com/en/group/facts-figures-96.html>.

### **Text**

akzente kommunikation und  
beratung gmbH

### **Design**

G2 Printmedienmanufaktur  
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## Environmentally Friendly Production

All CO<sub>2</sub> emissions produced during the course of printing and preparing the Voith Sustainability Report were determined. By making a proportionally equal investment in a Gold Standard climate project, the corresponding CO<sub>2</sub> emissions will be saved in the future and the Voith Sustainability Report will be CO<sub>2</sub>-compensated.



The Respecta Silk recycled paper we used for the Voith Sustainability Report 2013 is made from at least 60% secondary fibers and was produced using a Voith paper machine.



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This Sustainability Report is also available in German.  
Both versions and further information are also available for download on the Internet.

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

**VOITH**  
Engineered Reliability