

# Communication on Progress “2014”

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**ARTOOS** **AUTOMATE**  
WEB-TO-PRINT **ADVISE**  
PERSONALISATION  
**CREATE**  
DESIGN **TYPOGRAPHY**  
PHOTO **COPYWRITING**  
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## Communication on Progress (COP) - 2014

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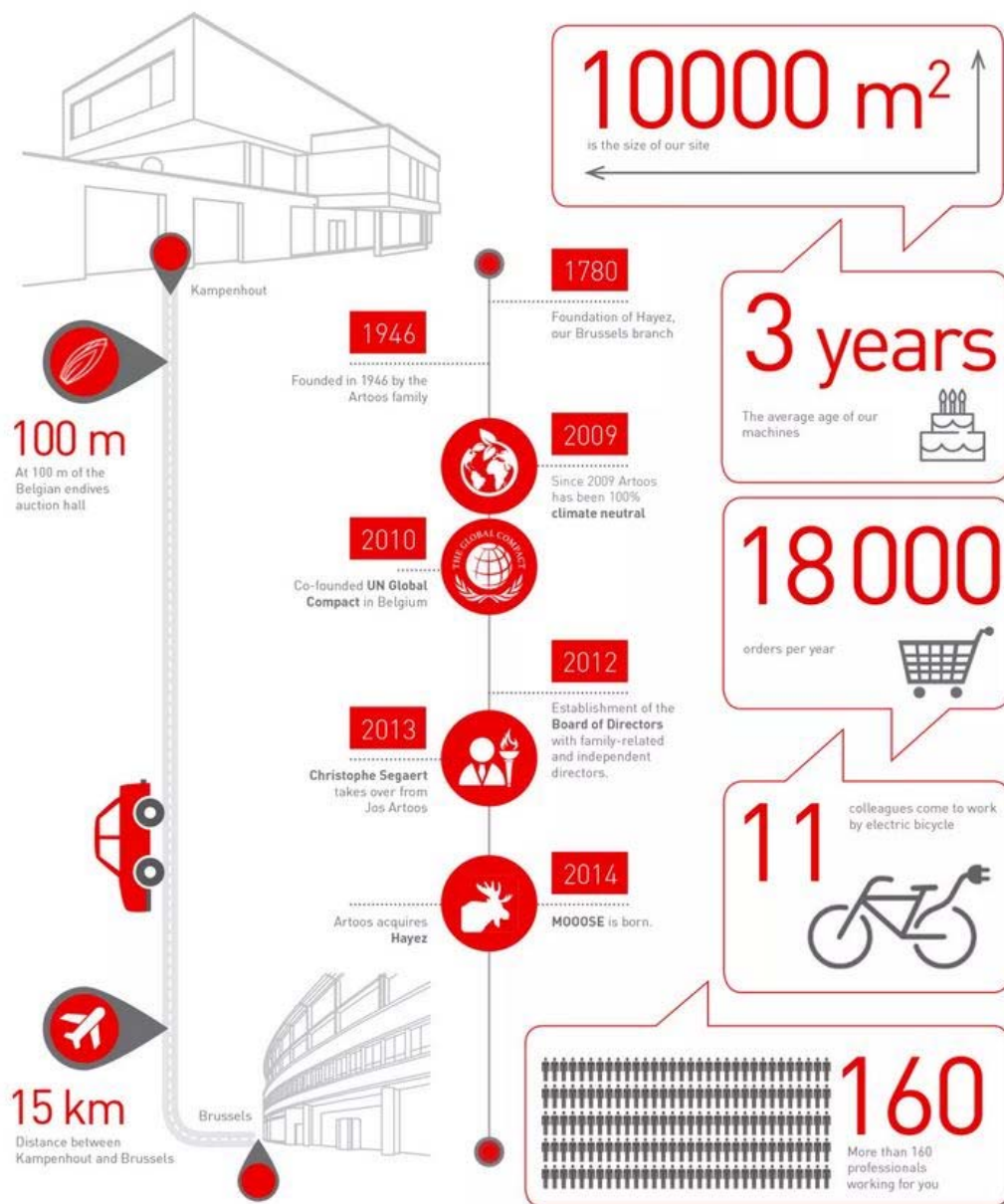
### Introduction

Artoos is a vertically integrated one-stop shop communication partner for (direct) marketing & communication departments offering the whole process of developing, producing and distributing marketing communication projects: design - production - fulfillment. Both for offline (printing) and online communication.

In the spring of 2014, Artoos acquired the Brussels based printing company Hayez.

In carrying out our customers' projects completely independent - with our 150 employees based in Kampenhout and 10 sales people in Brussels, our own high tech infrastructure and focusing on end-to-end automation - we offer a quite unique business model.

To highlight some important facts and figures of Artoos|Hayez we present our recent infographic:



## Statement of continued support for the Global Compact

Many years ago former CEO, mister Artoos, enlisted Artoos as a member of Global Compact because he and his management team strongly believed in the 10 principles that Global Compact writes out.

As present CEO of the company, I stand by this decision. That is why these important values keep forming the foundations in every action Artoos undertakes (commercially, production-wise, HR). We support public accountability and transparency.

Therefore we publish CSR reports and other corporate information brochures, make CSR related information known on our website ([www.artoos.be](http://www.artoos.be)) and organize meetings with a representation of our stakeholders in order to discuss our actions on:

- **People**

Artoos is known to be technically progressive, through state-of-the-art production equipment. However, even more so than technology, it is people who constitute the heart & soul of our company, our employees who enter into a true partnership with our clients.

- **Profit**

Even in economic difficult times Artoos is a financially healthy company. The ambitious but realistic financial management is shown by continuous growth and a high EBITDA (Earnings Before Interest, Taxes, Depreciation & Amortization).

We also have installed an active Board of Directors, with mister Artoos as chairman. This board also strongly believes in the 10 principles of the Global Compact.

- **Planet**

Artoos shows how environmental awareness and the pursuit of optimal price/quality ratio go together in harmony. We undertake the necessary to guarantee quality and clean printed matter at a competitive price, all of this in a climate neutral environment.

By writing this COP we would like to further confirm our continued support to the 10 principles of the Global Compact.

Best regards,



Christophe Segaeert  
CEO Artoos  
October, 6th 2015

**Principle 1: An organization should support and respect the protection of internationally proclaimed human rights**

**Principle 2: An organization should make sure that they are not complicit in human rights abuses**

**Principle 4: An organization should support the elimination of all forms of forced and compulsory labour**

**Principle 5: An organization should support the effective abolition of child labour**

#### **Our commitment or Policy**

As we are a CSR company we take several actions and have several policies concerning "people, our human capital".

For exemple:

- in a very natural way we respect diversity among our workers (we have a balanced age pyramid, a balance exists between women/man, we do not discriminate on the grounds of ethnic or social origin, gender (including pregnancy or maternity), age, sexual orientation, politics, religion/belief, ... )
- human rights are a natural right of all the people working at Artoos
- there is no question of compulsory labour or child labour

We take these principles also into account in our business affairs. That is why we decided e.g. to promote paper with a FSC (Forest Stewardship Council)-label for printing. Not only environmental aspects are important within FSC, social aspects are equally important. In 2014 65% of all the paper used for printing was with an FSC-label.

**Principle 3: An organization should uphold the freedom of association and the effective recognition of the right to collective bargaining**

#### **Our commitment or Policy**

Our employees are free to establish and join organizations of their own choice, given these do not violate the law or pursue unethical goals.

Trade unions are represented in our organization. Membership is generally accepted, as is non-membership. Consultations between trade unions and the management of the organization are organized on a regular basis. Works council as well as Health and Safety Committee happen in all openness and with mutual respect.

**Principle 6: An organization should support the elimination of discrimination in respect of employment and occupation**

#### **Our commitment or Policy**

As stated by Belgian law, Artoos does not discriminate on the grounds of ethnic or social origin, gender (including pregnancy or maternity), age, sexual orientation, politics, religion/belief, trade union membership or non-membership.

**Principle 7: An organization is asked to support a precautionary approach to environmental challenges**

**Principle 9: An organization should encourage the development and diffusion of environmentally friendly technologies.**

### Our commitment or Policy

CO<sub>2</sub> emissions are amongst the most important factors causing global warming, and the decline of our environment and its biodiversity. This is exactly why we go through great lengths in order to reduce CO<sub>2</sub> emissions.

The next step after reduction is to ask Climate Partner, a specialized German engineering firm, to measure and calculate the remaining greenhouse gasses produced by our machinery and printing work, and convert them into its CO<sub>2</sub> equivalent. Once calculated, we neutralize our production site and our own printing work. This is the case since 2010.

We stimulate our clients to do the same, and neutralize the leftover CO<sub>2</sub> emissions of their printed matter.

#### 1. Design & set up

During the design processes, we advise our clients how to make it as “green” as possible.

We look at the design, recommend FSC or recycled paper, determine which printing press is the most energy efficient etc.

#### 2. Calculation

Artoos calculates the CO<sub>2</sub> emissions of the printed matter. For this we use a computational model that has been built by Climate Partner in accordance with the “Greenhouse Gas Protocol” from the WBCSD (World Business Council for Sustainable Development).

Wherever we write CO<sub>2</sub> we mean greenhouse gasses expressed as their CO<sub>2</sub> equivalent in accordance with recommendations from the IPCC.

Climate Partner calculated for us:

- The direct CO<sub>2</sub> emissions from our production site in Kampenhout (transport, cooling installations, printing presses, air-conditioning, etc.). Once measured and calculated, we neutralized this
- The CO<sub>2</sub> emissions from our energy resources (which is nil, because we purchase from a completely green, climate neutral source)
- All other indirect CO<sub>2</sub> emissions relating to the printing work that we as a printer have no control of, e.g. the CO<sub>2</sub> emissions for the paper manufacturer and the supplier

We add the specific parameters relating to our client’s printed matter to this model, such as:

- The print run;
- Dimensions;
- Paper selected;
- The weight of the inks and dyes as used;
- Which printing press is used;
- How long this printing press is used;
- How many printing plates are used;
- The transport involved to deliver the printed matter to the client.

The module uses the above information to calculate the exact amount of CO<sub>2</sub> emissions produced by the printed matter.

Since the start of the calculation of our CO<sub>2</sub> emissions we were able to reduce these emission by approximately 50% because of several actions that have been taken.

### 3. Neutralization

Knowing the amount of CO<sub>2</sub> emissions produced by the print job, our clients are stimulated to neutralize these emissions through voluntary purchasing of tradeable certificates from top carbon offset projects that are in accordance with the highest international standards, and also provide assistance in offsetting carbon emissions. Clients can choose from a portfolio of projects that are strictly selected by Climate Partner.

Since 2014 we support the Kasigau Corridor forest protection program of Wildlife Works in Kenya. This is a project with standards VSC, CCBS. It represents an ideal mix of reducing CO<sub>2</sub>-emissions and sustainable development.

After decreasing our CO<sub>2</sub> emissions and offsetting the inevitable rest emissions our production plant - and if the client wants - print jobs are climate neutral by contributing to this sustainable project.

To contribute to a carbon offset project is also an example of practicing the 10 Global Compact principles.

## Principle 8: An organization should undertake initiatives to promote greater environmental responsibility

### Our commitment or Policy

In the past the printing business had a negative image when it comes to environmental issues. That is why we - at Artoos - have committed ourselves to protect the environment in any way we can. In the printing industry, the limitations of environmental protection are mostly determined by technology. Nearly all technological progress also means environmental progress. Artoos is aware of this and has the most modern and energy-efficient infrastructure from prepress to finishing. Not only is it possible to produce high quality products with these machines but they are also very energy efficient, use less raw material, make less noise, are more ergonomic to work with, ...

But we do much more than offering an environmentally friendly infrastructure. We also created an environmental management system in accordance with the ISO 14001:2004 standard. In 2012 we renewed our ISO 14001 certificate. In the beginning of 2015 another renewal is scheduled. Then the certificate is valid for a new period of 3 years. Our environmental policy is published on our website ([www.artoos.be](http://www.artoos.be))

Since we started our environmental management system, the phrase "measuring is knowing" is the basis of our environmental policy/way of thinking. We noticed that the more precise measurements are performed, the quicker we can take action to prevent or improve the things that need our (urgent) attention.

Within our management system we have set ourselves goals. These are evaluated yearly. Based on this evaluation and new situations in our company we set new goals or adjust our existing goals for the year to come.

We work on 5 domains. One goal depends on the result of most of our other goals: this is our climate neutral theme. Other goals include reducing waste streams (especially paper and ink waste), reducing and/or controlling solvent usage, reducing and/or controlling usage of water, reducing our energy consumption.

To make the necessary calculations, statistics, ... we need to obtain all the data. To be able to do so we ask our employees for example to weigh the baskets with paper waste, to monitor the usage of printing alcohol, to save on electricity in the office, ....

We tell them about our progress on several occasions: at team meetings, at our annual meeting, in a monthly company newsletter, in our company brochures, ...

We also inform our clients, suppliers, ... of our goals and work efforts in theme magazines, on our website, in external meetings, on seminars, ...



## COP

In accordance with financial reports all our results are compared on a 3 year basis. To be able to make the right conclusions we also calculate ratio's. In that way we also take into account the production and economic factors of that period.

Looking at all the gathered information we can conclude that we are still making a positive progress.

### Paper waste

Paper waste	2012	2013	2014
Purchased paper (ton)	3.746,70	3.945,82	4.585,4
Paper waste (ton)	1.258,64	1.199,85	1.479,56
Ratio waste/new paper	0,34	0,30	0,322

The percentage of waste in relation to the amount of bought paper has increased slightly. The mean reason is the type of print jobs. Since our coalition with Hayez a larger sum of print jobs are smaller in number per print job. This results in a more frequent adjusting of the presses and thus more waste. The matter stays our number 1 priority but because there is an admissible explanation the increase is acceptable.

### Ink waste

Ink waste	2012	2013	2014
Waste	11,951	12,257	18,763
Purchased paper (production in m <sup>2</sup> )	28.077.593	31.545.515	35.124.725
Ratio waste/production	4,256*	3,886*	5,342*

\*number to divide by 10.000.000

The ratio waste/production (= paper) has gone up with 25% compared to 2012 and with 37,5% compared to 2013. In comparison with the previous year we printed more. Thus more product has been used. Another consequence of printing smaller print jobs per print job is that the presses need to be cleaned more. That fact also leads to a greater amount of waste. Because the increase is an consequence of changes in our production, the augmentation of the ratio 'ink waste' is acceptable.

### Solvents

	2012	2013	2014
ton VOC emission	3,846	4,652	4,379
m <sup>2</sup> purchased paper (= production)	28.077.593	31.545.515	35.124.725
Ratio VOC-emission/production	1,369*	1,475*	1,247*

\* number to divide by 10.000.000

VOC = volatile organic compounds

After an increase last year our VOC emissions have decrease again. The emissions have gone down with 5,9% in comparison with 2013. If we look at 2012 we see an augmentation of 13,9%.



## COP

The decrease is caused by a diminished use of alcohol in the offset printing process while we have printed more than the years before.

### Energy

We have 2 sources of energy: electricity and natural gas.

#### Electricity

	2012	2013	2014
electricity consumption(kWh)	1.930.412	1.981.150	2.234.020
m <sup>2</sup> purchased paper	28.077.593	31.545.515	35.124.725
Number of employees	140	132	144
Surface building in use	7.355 m <sup>2</sup>	10.043 m <sup>2</sup>	10.043 m <sup>2</sup>
Ratio electricity consumption/paper (x)	0,069	0,063	0,064
Ratio electricity consumption/employee (Y)	13.788,657	15.008,712	15.514,028
Ratio electricity consumption/surface (z)	262,463	197,267	222,445
<b>Total ratio<sub>electricity</sub>: x*y*z</b>	<b>249.711,85</b>	<b>185.941,81</b>	<b>219.493,81</b>

In 2014 our solar panels produced 2,99% of our total electricity capacity. This % is depend of the climate conditions. Because they were not as good as the conditions in 2013 the % is somewhat smaller.

We produced more print jobs. So it is only natural that we used more electricity. But the ratio electricity/paper\*people\*surface decreased with 18% in comparison with 2013 but 12% lower in comparison with 2012. This means that measures that have been taken in the past (eg. relighting) have a result.

#### Natural gas

	2012	2013	2014
Gas consumption (kWh)	311.285	396.966	321.836
Number of employees	140	132	144
Surface building heated by natural gas	5.063 m <sup>2</sup>	6.675 m <sup>2</sup>	6.675 m <sup>2</sup>
Ratio gas/employees (x)	2.223,464	3.007,318	2.234,972
Ratio gas/surface (y)	61,482	59,471	48,219
<b>Total ratio<sub>gas</sub>: x*y</b>	<b>136.703,013</b>	<b>178.846,902</b>	<b>107.759,479</b>

Because of a kind winter we needed less heating and thus less gas.

## Water

	2012	2013	2014
Water consumption	1.369	1.931	1.674
m <sup>2</sup> purchased paper	28.077.593	31.545.515	35.124.725
m <sup>2</sup> purchased plates	61.819	66.639	85.915
Number of employees	140	132	144
Water/paper (x)	4,876**	6,121**	4,766**
Water/plates (y)	0,022	0,029	0,019
Water/employees (z)	9,78	14,629	11,625
Total ratio (=x*y*z)	1,06**	2,59**	1,079**

\*\* number to divide by 100.000

After an increase last year, we used a smaller amount of water in 2014. In comparison with 2012 we notice an increase of 22,3%. The decrease in comparison with 2013 is 13,3%.

This means that measures that have been taken in the past, still have an effect on the total use of water.

## Ecological footprint

The previous results and all positive changes that are mentioned above result to the following:

	2012	2013	2014
CO <sub>2</sub> emissions (kg)	298.492	318.836	328.326
m <sup>2</sup> purchased paper	28.077.593	31.545.515	35.124.725
Number of employees	140	132	144
Surface building in use	7.355	10.043	10.043
Ratio CO <sub>2</sub> /paper (x)	0,011	0,010	0,009
Ratio CO <sub>2</sub> /employees (Y)	2.132,09	2.415,42	2.280,04
Ratio CO <sub>2</sub> /surface (z)	40,58	31,75	32,69
Total ratio CO <sub>2</sub> : x*y*z	951,72	775,05	696,75

All our figures show, without any doubt that Artoos pays a lot of attention to decreasing its ecological footprint and works in a sustainable way.

## Principle 10: An organization should work against corruption in all its forms, including extortion and bribery

### Our commitment or Policy

Corruption, extortion and bribery are prohibited by Belgian law. We are subject to Belgian law and act as such.

We are transparent in our financial dealings and have external auditors to oversee our accounts. On a yearly basis, our intentions for the future are explained and documented to all employees.

## ISO 26000

Since 2011 we are implementing the principles of ISO 26000.

A GAP analyses was made. After deciding which of the missing points were of any materiality for us, we started several actions.

Commuting e.g. is a topic that we have put (and are still putting) in the spot lights. We have tried to motivate people to use sustainable transport to come to work. Especially the use of electric bikes is an important topic. As a result of this the number of sustainable commuters has gone up with 22,2% compared to 2013 and with 29,4% compared to 2012.