

**Binani**

**3B** the fibreglass company

**B R A J B I N A N I G R O U P**



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.



# Sustainability Report

August 2016





Sustainability for 3B is...

"A pre-condition to be a long-term successful, ecological and socially responsible leader in the glass fibre market."

# Statement from CEO

# 1

Sustainability is the main growth driver for our business. Both automotive and wind markets, 3B's core playgrounds, constantly look for ways to lighten parts, reduce fuel consumption and CO<sub>2</sub> emissions to reduce human impact on the planet.

3B is part of an industry that is committed to address the arising challenges from megatrends like demographical and social changes, rapid urbanisation, climate change and resource scarcity or technological breakthrough.

Since its inception, 3B has been at the forefront of reducing its impact to the environment thanks to its underlying technology and strong heritage. Governance and social aspects have also been part of the company's DNA. Many great initiatives have been successfully implemented over the years. Still, it was clear that the next phase for 3B to meet its sustainable challenge was to evolve from an operational sustainability approach to an integrated one. An approach allowing 3B to be systematic at addressing its impact on people and the environment and looking for value creation rather than just earning the right to operate.

3B developed a complete sustainability strategy and defined the key areas of focus through a thorough materiality assessment. The areas of focus have been selected in four main topics: environment, people, governance and market. The strategy helped create priorities and focus. For each of the identified main business drivers, specific short to long-term objectives have been defined with clear action plans and milestones. The execution of the measures will be monitored with a set of Key Performance Indicators. Corrective actions will be implemented when necessary to steer in the right direction; this is our duty as business leaders.

I am, together with my team and the entire 3B's organisation, committed to execute at our scale on our objectives, to support the UN Global Compact and contribute in making our world a better place to live.

It is also a pleasure to embark the entire organisation in this journey and I want to thank all 3B's stakeholders, customers, employees, suppliers and partners for their continuous support and dedication to this paramount initiative.





Marc Hubert, CEO







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# 3B's Corporate Social Responsibility (CSR) integrated within the sustainability approach

# 2

CSR aims at embracing responsibility for corporate actions to create a sustainable economy that delivers benefits to people, communities and markets, beyond the interests of the company and beyond law requirements. It increases long term profits and engages in actions that encourage achieving a better world.

Sustainability is a driver and cornerstone of our strategy. It is a pre-condition for 3B to be a long-term successful, ecological and socially responsible leader in the glass fibre market.

The triple “**P**” approach defines the structured and pragmatic approach around our existing sustainability initiatives.

## People

The people at Binani 3B, their safety and their well being, are at the heart of its strategy and success. Binani 3B strives for people to consider safety at all times in all what they do every day.

## Planet

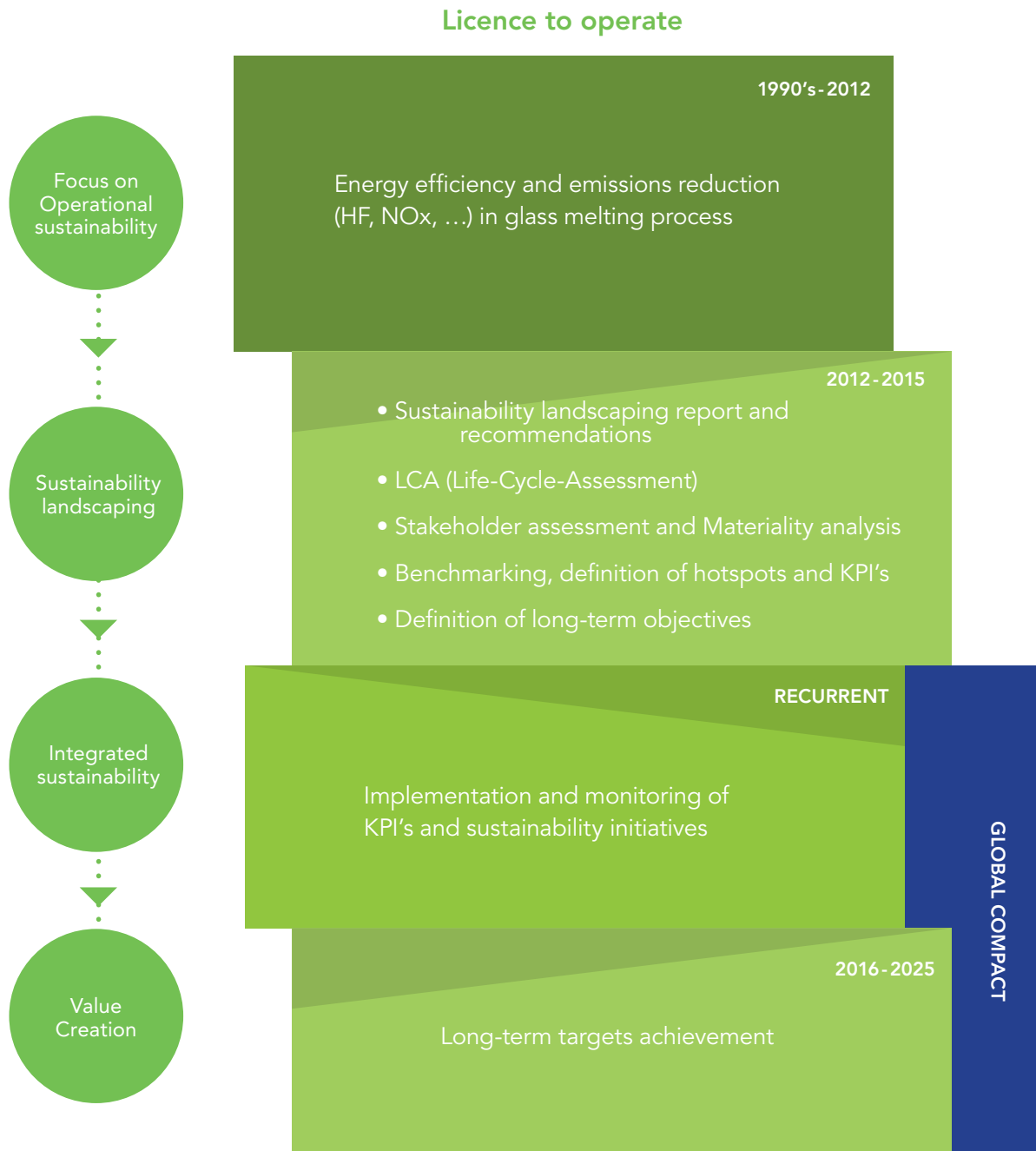
Our plan to grow in Automotive and Wind is a response to the trend towards a greener planet. We, at Binani 3B, contribute every day by providing solutions to reduce weight and CO<sub>2</sub> emissions, or developing more efficient renewable energy for tomorrow and reducing the environmental footprint throughout its lifecycle.

## Profit

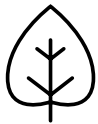
The implementation of our productivity programmes and solutions through our 9Q Profit Improvement Programme aiming at ensuring that each site reaches an investment grade financial level so to ensure a sustainable future.



## From traditional to integrated sustainability



## 3B came out with 4 key sustainability drivers



### ENVIRONMENT

We position ourselves as THE eco-responsible glass producer with greener technologies, creative initiatives and behaviours.



### PEOPLE

People are the source of our success. Protecting our human capital and the health of all stakeholders is key for 3B. People are motivated to work at 3B, they are engaged to give their best to implement the strategy and drive results.



### MARKET

We find innovative solutions for market sustainability needs and are recognized as a trusted and reliable supplier.



### GOVERNANCE

We are a transparent and accountable company, integrating ethics and social responsibility in the company and reporting to the UN Global Compact.





## Integrated sustainability and value creation

Traditional approaches to sustainability have often been rather ad hoc and on the periphery of day to day business activities. It has mainly focused on operational efficiency and managing corporate reputation and as a result, has tended to involve limited stakeholders across the business, and has often been accused of 'cherry picking' communication leading to accusations of green washing. In terms of accessing business value, it is mainly associated with lower 'value protection' levels such as compliance, operational efficiency and Corporate (operational) reporting.

Integrated sustainability<sup>1</sup>, on the other hand, means involving all employees that have business objectives connected to improving performance, such as Operations, Purchasing, R&D, Sales and Marketing. It is increasingly seen as being no different from other business imperatives that drive value, such as quality, cost, product functionality, etc., and should therefore be embedded into business processes in order to bring sustainability decision making and activities on an equal footing.

Integrating sustainability requires time and strategy and requires the identification of priority areas in order to build a strategic roadmap.



<sup>1</sup><https://www.unglobalcompact.org/take-action/leadership/integrate-sustainability/roadmap>

# Materiality Analysis

# 4

Companies could report on a wide range of topics. Topics that merit inclusion in a sustainability report are topics that may be considered important for reflecting the economic, environmental and social impacts of the company; these topics are then considered material aspects.

Not all material aspects are of equal importance and the emphasis within a report should reflect the relative priority of these material aspects.

Internal as well as external factors should be used to determine if topics are material<sup>2</sup>. Such factors could include organisation’s overall mission and competitive strategy, concerns expressed by several stakeholders (neighbours, employees, unions...), broader social expectations, international standards and agreements, the organisation’s influence on upstream (supply chain) and downstream (customers) entities...

Organisations should focus on the most material topics, strategic topics, and

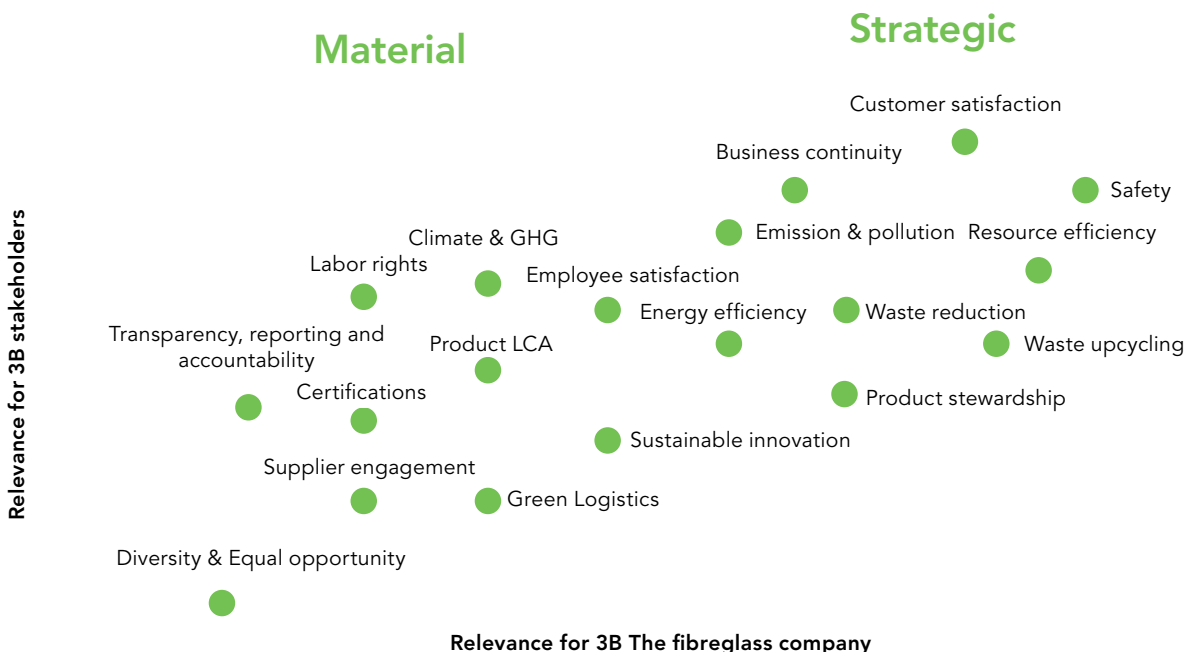
emphasize the performance on these topics rather than the reporting.

By focussing on the material topics, the sustainability report also becomes more relevant, more credible and more user-friendly. This will, in turn, enable organisations to better inform markets and society on sustainability matters. Other relevant topics can be included in the report, but should be given less prominence.

3B’s current materiality matrix is based on interviews with key stakeholders and an external sustainability landscape study.

More information about stakeholder inclusiveness and materiality can be found in chapter 9.3 “Transparency, accountability and reporting”, on page 48.

The materiality matrix for 3B is given below.



<sup>1</sup>Accountability, the materiality report, November 2006



## 5.1 Sustainable Development Goals (SDGs)

The SDGs, unanimously adopted by the UN's 193 Member States at an historic summit in September 2015, address the needs of people in both developed and developing countries, emphasizing that no one should be left behind. Broad and ambitious in scope, the agenda addresses the three dimensions of sustainable development: social, economic and environmental, as well as important aspects related to peace, justice and effective institutions.

**"The seventeen Sustainable Development Goals are our shared vision of humanity and a social contract between the world's leaders and the people,"** said UN Secretary-General Ban Ki-moon. **"They are a to-do list for people and planet, and a blueprint for success."**

### THE GLOBAL GOALS For Sustainable Development



## 3B is engaged in the following SDGs



**SDG 3.9** - By 2030 substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination.



**SDG 5.1** - End all forms of discrimination against all women and girls everywhere.

**SDG 5.5** - Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.

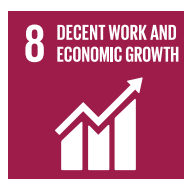


**SDG 6.3** - By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.

**SDG 6.4** - By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.



**SDG 7.3** - By 2030, double the global rate of improvement in energy efficiency.



**SDG 8.4** - Improve progressively through 2030 global resource efficiency in consumption and production, and endeavour to decouple economic growth from environmental degradation in accordance with the 10-year framework of programmes on sustainable consumption and production with developed countries taking the lead.

**SDG 8.8** - Protect labour rights and promote safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment.



**SDG 10.2** - By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.



**SDG 12.2** - By 2030, achieve the sustainable management and efficient use of natural resources.

**SDG 12.4** - By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.

**SDG 12.5** - By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

**SDG 12.6** - Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.



**SDG 14.1** - By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution.

**SDG 14.3** - Minimize and address the impacts of ocean acidification, including through enhanced scientific cooperation at all levels.



**SDG 15.5** - Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.



**SDG 16.5** - Substantially reduce corruption and bribery in all their forms.

**SDG 16.7** - Ensure responsive, inclusive, participatory and representative decision-making at all levels.



**SDG 17.16** - Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries.

## 5.2 United Nations Global Compact (UNGC)

By encouraging companies to operate responsibly and take strategic actions that support society, the UN Global Compact works to ensure that business activity adds value not only to the bottom-line, but also to people, communities and the planet.

UN Global Compact asks companies to take a comprehensive approach to sustainability, and lay out 5 essential elements of corporate sustainability:

Foremost companies must (1) operate responsibly in alignment with universal principles and (2) take strategic actions that support the society around them. Then, to push sustainability deep into the corporate identity, companies must (3) commit at the highest level, (4) report annually on their efforts, and (5) engage locally where they have a presence.

The UN Global Compact supports companies to address the entire range of ESG<sup>2</sup> issues, believing that responsible businesses enact the same values and principles wherever they have a presence, and that good practices in one area do not offset others.

**UNGC Principle 1** - Businesses should support and respect the protection of internationally proclaimed human rights; and

**UNGC Principle 2** - Make sure that they are not complicit in human rights abuses.

**UNGC Principle 3** - Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

**UNGC Principle 4** - The elimination of all forms of forced and compulsory labour;

**UNGC Principle 5** - The effective abolition of child labour; and

**UNGC Principle 6** - The elimination of discrimination in respect of employment and occupation.

**UNGC Principle 7** - Businesses should support a precautionary approach to environmental challenges;

**UNGC Principle 8** - Undertake initiatives to promote greater environmental responsibility; and

**UNGC Principle 9** - Encourage the development and diffusion of environmentally friendly technologies.

**UNGC Principle 10** - Businesses should work against corruption in all its forms, including extortion and bribery.

<sup>2</sup>ESG: Environmental, Social and corporate Governance



## 5.3 International standards integrated in 3B's sustainability drivers

The precautionary approach, principle 7 of the United Nations Global Compact initiative is based on Principle 15 of the 1992 Rio Declaration that states "where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation".

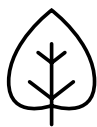
Precaution involves the systematic application of risk assessment, risk management and risk communication. When there is reasonable suspicion of harm, decision-makers need to apply precaution and consider the degree of uncertainty that appears from scientific evaluation.

3B implements this principle by:

- Establishing a [Safety Health Environment](#)<sup>3</sup> and Quality charter showing the commitment of the company to place the health and safety of its people and the protection of the environment at the very heart of its priorities
- Creating a product stewardship working group and steering committee overseeing the application of precaution, in particular risk management in sensitive issue areas;
- Establishing two-way communication with stakeholders, in a pro-active, early stage and transparent manner, to ensure effective communication of information about uncertainties and potential risks;
- Supporting scientific research, including independent and public research, on related issues, and work with national and international institutions concerned;
- Joining industry-wide collaborative efforts to share knowledge and deal with the issue of precaution, in particular in regards to production processes and products around which high level of uncertainty, potential harm and sensitivity exist.

<sup>3</sup><http://www.3b-fibreglass.com/wp-content/uploads/13-12-02-SHEQC.pdf>

## Overview of 3B's sustainability drivers and how they include principles of international standards



### ENVIRONMENT

	UNGC Human Rights Principles	UNGC Labour Principles	UNGC Environment Principles	UNGC Anti-corruption Principles	SDGs
Energy and Resource efficiency			●		3, 7, 12
Green Logistics			●		12, 13
Waste upcycling			●		12, 15
Green attitudes			●		12



### PEOPLE

Health and safety	●	●			8
Product Stewardship	●	●			3, 8
Employee engagement	●	●			8
Diversity and equal opportunity	●	●			5, 10



### MARKET

Sustainable innovation			●		9, 13
Customer satisfaction					9
Business continuity					9



### GOVERNANCE

Human rights & Business code of conduct	●	●		●	8, 16
Supplier engagement	●	●	●	●	17
Transparency, accountability & reporting			●		16
Certifications					9, 16

A young girl with curly hair, wearing a green shirt, is holding a small green seedling with soil in her hands. The background is a grassy field. The text is overlaid on a green horizontal band across the middle of the image.

**“ 3B is the eco-responsible  
glass producer ”**





**Objective** = Build on our existing position and continuously enhance our environmental footprint thanks to greener technologies, creative initiatives and behaviours



## 6.1 Resource efficiency

### Context, Policy and Goals

Resource efficiency is a key sustainability driver for Binani 3B with a very high shared value aspect.

Making sure we can produce more with less has an obvious impact on

- Cost;
- CO<sub>2</sub> emissions;
- Volatile Organic Compounds emissions and air pollution in general;
- Water consumption;
- Glass waste generation.

## Implementation

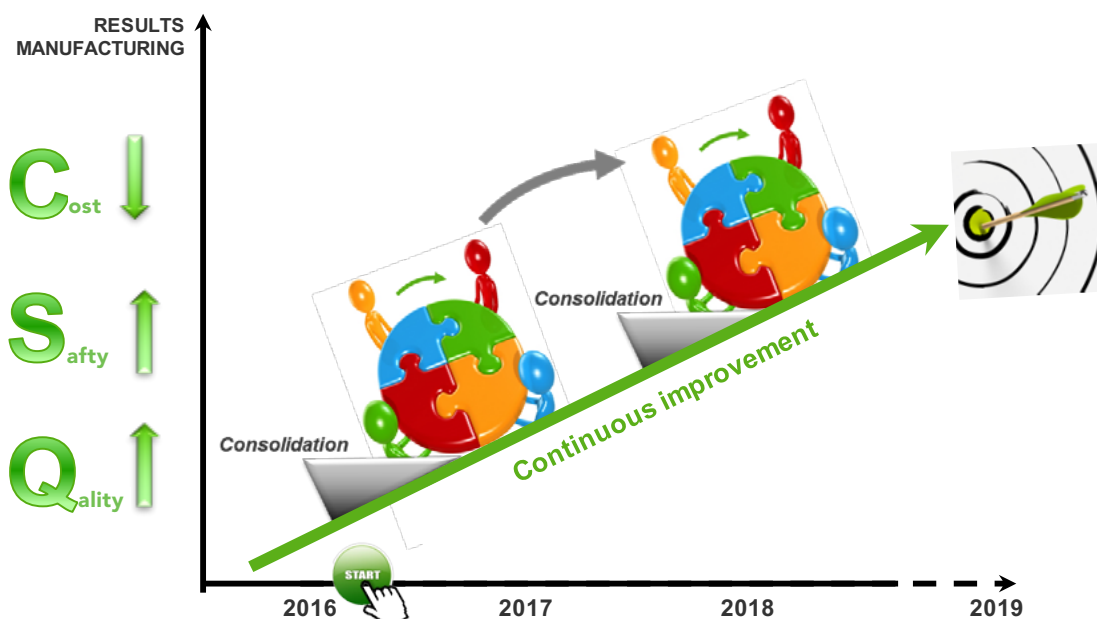
Glass fibre production is an asset intensive activity which requires a certain level of profitability to justify reinvesting into those assets and ensuring business continuity.

The production process also requires a large amount of resources like in labour and mineral raw materials, as well as in gas and electricity required to melt and fiberize those raw materials. Studies have shown that the overall life cycle assessment of products made of glass fibre remain very favourable compared to other traditional materials.

Still it is important to engage into initiatives to preserve those resources and make the best possible use of them. 3B is committed to continuously enhance the productivity of its manufacturing process and improve the conversion ratio of the above resources into finished products.

Recently, 3B engaged into a Manufacturing Excellence Programme (MEx). This programme which has highest visibility in the company aims at bringing the search to productivity to its next level. It is about creating a sustainable process which brings a uniform and standardised method to look at opportunities and implement them. It allows stabilizing the organization once a project has been implemented so that a new base has been set. From that new base, other opportunities can be built upon.

A real methodology is set deep in the organization opening up the door for a large amount of new potential initiatives.



With regard to improving this strategic issue for 3B a Manufacturing Excellence project was started with the appointment of a full time Global Manufacturing Excellence Leader.

In total not less than 15 FTE<sup>4</sup> are dedicated to the implementation of these resource efficiency improvement programmes.

## Performance measurements - objectives

The performance measurement of this key aspect is mainly based on the cost reduction and manufacturing performance drivers. We aim at improving these indicators in the future by designing an integrated indicator (e.g. Radar chart), including Specific Energy, Net Efficiency, and Raw Material consumption.

<sup>4</sup>Full Time Equivalent



## 6.2 Energy efficiency

### Context, Policy and Goals

Energy consumption and green house gas emissions are one of the major, if not THE biggest environmental impact of glass fiber producers.

Reducing this main environmental impact is a top priority for 3B.

### Implementation

3B is continuously looking for optimal technologies in order to reduce de energy consumption and the overall environmental footprint. Several environmental reduction studies are ongoing ranging from energy recuperation to redesign of our melting and fiberizing assets.

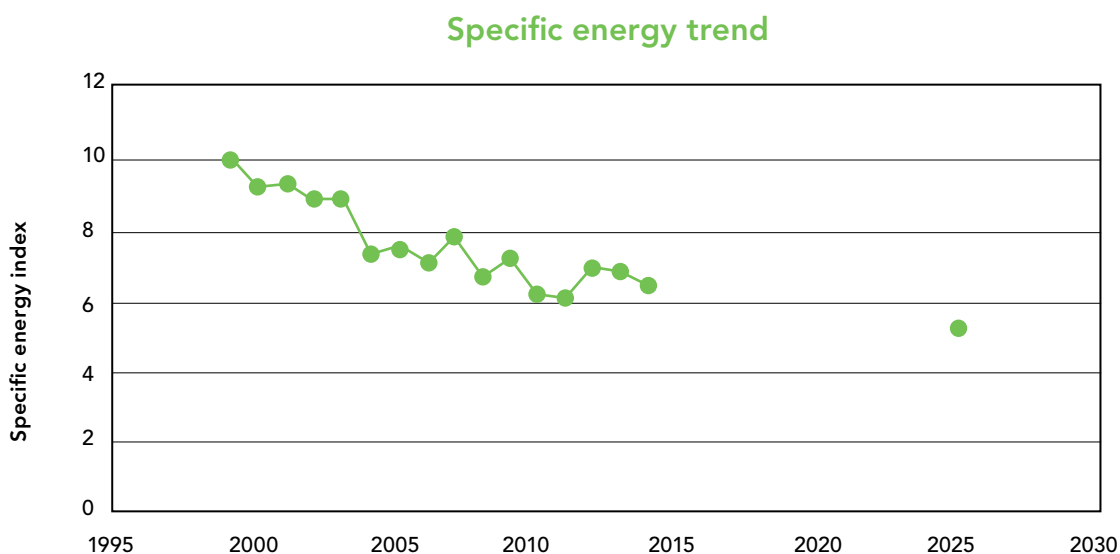
The objective now is to drive the specific energy consumption through productivity while developing tomorrow's melting technology to make a step change in energy consumption for future melters.

### Performance measurements - objectives

In the past major technological efforts were realised with regards to the energy efficiency which allowed 3B to achieve reductions up to 50% (2015 compared to 1999).

By combining productivity and step change through furnace rebuilds our objectives are:

- Reduce the specific energy consumption by minimum 40% by 2025 vs. 2002
- Reduce the direct CO<sub>2</sub> emissions by 35% by 2025 vs. 2002





## 6.3 Green logistics



### Context, Policy and Goals

3B aims at reducing the carbon footprint throughout the lifecycle of their product by:

- A continuous search for optimisation of the footprint of road logistics (screening of suppliers based on sustainability criteria, green vehicles ...)
- A continuous search for optimal packaging solutions
  - Bulk
  - Higher loading
- A continuous search for optimal logistic options
  - Rail
  - Water
  - Heavy liner



### Implementation

Environmental and sustainability performance of logistics suppliers is assessed through green logistics score including various sustainability criteria (green label adherence, CO<sub>2</sub> emission calculations and objectives, signature of our supplier code of conduct...). The sustainability score is one of the main criteria for the selection of new logistics suppliers.

Permanent technology and solutions watch is performed for new sustainable logistics alternatives around our plants.

### Performance measurements - objectives

The 3B green logistics score is based on the following main criteria:

- Member of a green logistics initiative or label (lean & green, green logistics Europe...)
- Implementation of CO<sub>2</sub> reduction measures or initiatives in place (Eco-driving course, tyre type and pressure optimization...).
- Minimization of empty return freights
- Use of EURO V-EEV or EURO VI European vehicles

Our objective is to have 90% of our downstream road transport with EURO V-EEV or EURO VI vehicles (new 53% EURO V-EEV and 45% EURO VI vehicles in 2016 S1).



## 6.4 Waste upcycling

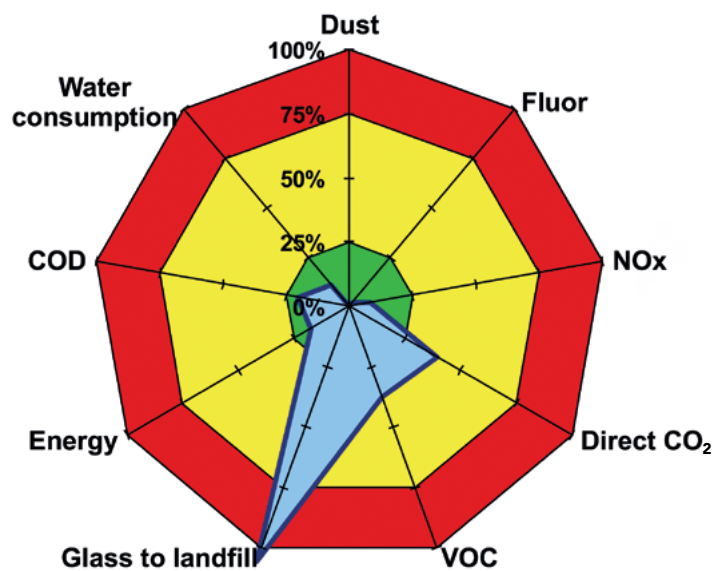


### Context, Policy and Goals

Since its creation 3B never stopped improving its manufacturing processes and practices. The environmental footprint graph shows significant improvements achieved by 3B during the course of its existence (see chapter 6.6 Environmental footprint).

However, we can notice one major item on which the indicator is in the red zone – fibre glass landfill.

### Battice Environmental Footprint



Our fibers are landfilled when they do not meet the product specifications of our customers. Various reasons may lead to the generation of non-sellable fibers; However we can easily outline the major cause. Origin of more than 90% of the volume of waste fibers generated “breaks” during the fiberization process.

Fiberization process consists in pulling the glass in a form of continuous fiber of controlled diameter. Fiberization is performed by means of pulling the glass through bushings, electrically heated, and housing a bottom with great number of holes. The molten glass is delivered by a special channel to the bushing and is flowing through the holes under gravity

action, completed by controlled pulling action at a defined speed, thus setting the fiber diameter. Filaments are then assembled into a bundle on which a chemical binder is then applied.

It is sufficient to interrupt the flow of the glass through one of the bushing, in order to create a “break”, which is then contaminating the other filaments of the entire bundle. Hence the process nature is quite sensible to disturbances and may easily generate significant amount of waste is falling into the basement.

The collection of the non-valorised glass is done in the basement and then evacuated mechanically to the landfill.

The Amount of glass landfilled yearly is significant and fluctuates in thousands of tons per year.

The environmental impact of such landfilling is even worsened by the fact that non-valorised glass fibers represent a lost opportunity in term of valorisation and upcycling.

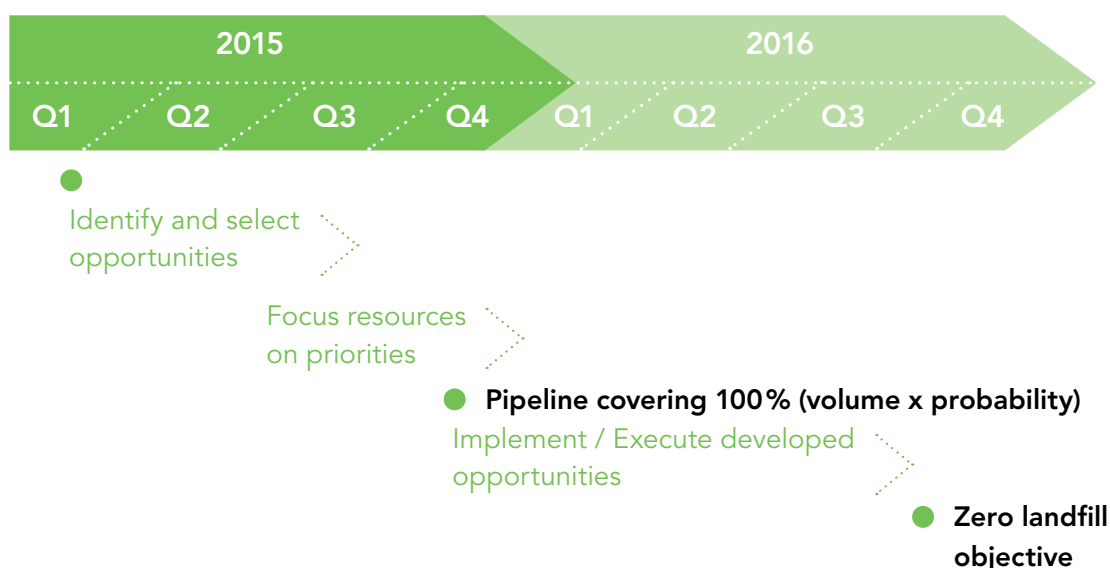
3B has launched a “Zero Glass to Landfill” project in order to find a sustainable alternative to landfill.

## Implementation

Value creation through recycling and upcycling of waste is the main objective of the "Zero Glass to Landfill" project. In order to reach this challenging objective 3B has put in place a multidisciplinary team dedicated to find solution for waste upcycling. The project is structured in 3 phases – Identify opportunities, Develop and Implement: with the the overall aim to reach the **"Zero Glass to Landfill"** objective by Q1 2017.

In the first three quarters, the project team identified and pre-selected potential market opportunities for upcycling of the glass fiber waste. In the following phase the most promising opportunities were selected for further development in order to pass into an industrialisation phase for 50 % of potential market opportunities by end 2016.

Development of the "Zero Glass to Landfill" programme was supported by Walloon Region via a financed research project in collaboration with Walloon research centers. This initiative fits perfectly into the overall "green innovation" efforts of the authorities targeting support of upcycling initiatives improving sustainable development.



## Performance measurements - objectives

Market opportunities for upcycling of 100% of the generated waste have been identified so far. R&D and industrialization of the opportunities are ongoing.

**ULTIMATE OBJECTIVE = ZERO GLASS TO LANDFILL BY 2017**



## 6.5 Green attitudes

### Context, Policy and Goals

Our employees are more and more conscious of the importance to daily adopt "green behaviours". We reinforce our employee's awareness by launching specific initiatives, recognising the efforts made. We also reconsider the way we do certain things to improve our environmental footprint.

### Implementation

Several initiatives were taken over the last years to improve the day-to-day environmental impact of our organisation.

In June 2015, our plant in Goa (India) celebrated the World Environment Day by planting trees around the plant premises.

Our plant in Birkeland (Norway) installed 6 electric car charging stations this year. Every day 2-4 electric cars park there.

In our plant in Battice (Belgium) A specific printing policy was implemented making black & white recto-verso printing mandatory for printing all internal documents.

Hybrid cars were introduced in the headquarter car pool.

A new position was created in the company, QHSE-S<sup>4</sup> Leader, who plays a central role in driving and promoting green behaviours as well as consolidate new relevant ideas to further improve the current situation in close cooperation with the other employees.

### Performance measurements - objectives

We commit to continue improving our green attitude and drive this through several initiatives (green mobility, awareness events, 'what can you do to support the global goals?'<sup>5</sup> ...)



<sup>4</sup>Quality Health Safety Environment-Sustainability

<sup>5</sup><http://www.globalgoals.org/take-action/>

# 6.6 Environmental footprint



## Context, Policy and Goals

Our Company is committed to environmental excellence in the design, manufacture, distribution, recycling and disposal of our products.

In line with the environment and sustainable development strategy of the European Commission ‘Single Market for Green products’<sup>6</sup> our final goal is to reduce the overall environmental footprint and avoid shifting of burden from one impact to another.

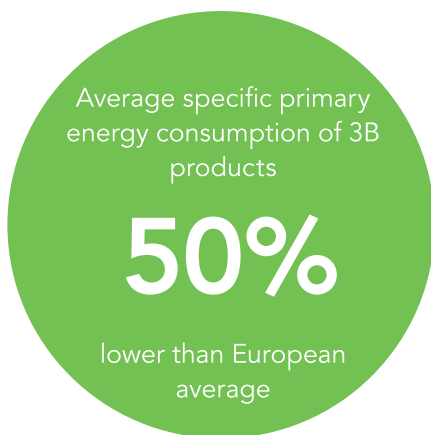
More and more focus is being given to the environmental footprint of market products. In this context EUCIA, European Composites Industry has developed an Eco-calculator tool<sup>7</sup>. This calculator allows producers of composite parts to quantify the environmental impact of the production of the composite parts from “cradle to gate”.

## Implementation

Through the Glass Fibre Europe Association, product **Life Cycle Assessments (LCA)** studies have been realized<sup>8</sup>. These studies present the cradle-to-gate life-cycle inventory and life-cycle impact assessment results of continuous filament glass fiber products. The first study was realised in 2012 with data of 2011 based on direct roving and chopped strand products. This year a new study was performed with data of 2015 and also includes continuous filament mat products.

Much attention was paid in the past to the **reduction of environmental pollution** in the development of our new products or assets.

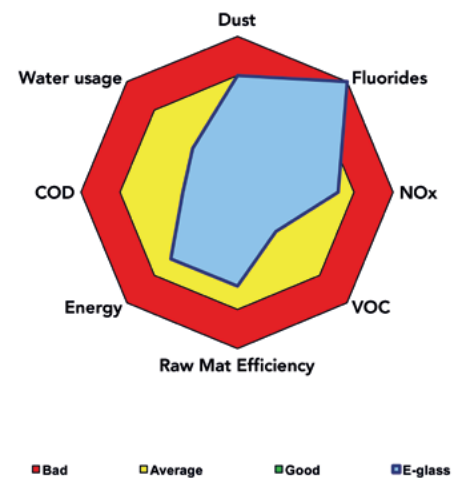
## Performance measurements - objectives



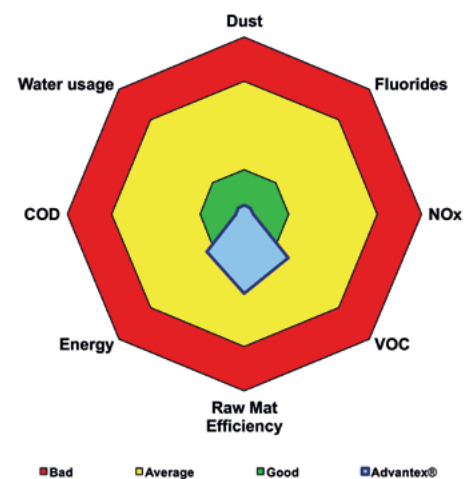
In order to review environmental targets and set meaningful Key Performance Indicators, expert training will be provided to key environmental representatives on the Product Environmental Footprint and Organisation Environmental Footprint methods defined by the European Commission. The objective of these methods is to define a common way of measuring environmental performance .

This will ensure that environmental targets and strategic decisions will take into account the whole product lifecycle (cradle-to-gate) and will avoid shifting of burden from one impact to another.

### Traditional E-Glass Manufacturing Process



### Advantex® Glass Manufacturing Process



<sup>6</sup><http://ec.europa.eu/environment/eussd/smgp/index.htm>

<sup>7</sup><http://ecocalculator.eucia.eu/>

<sup>8</sup><http://www.glassfibreeurope.eu/sustainability/life-cycle-inventory-impact-assessment/>

Advantex®: registered brand from Owens Corning, used under license



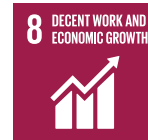






People

7



## 7.1 Health and Safety

### Context, Policy and Goals

#### 3B and its employees commit to:

- Place the Health and Safety of our people, at the very heart of its priorities;
- Provide a clean workplace as per the company standards. The work place must be free from safety or health hazards or disease, and it should be ensured that the operational hazards are controlled to accepted levels;
- Foster a culture whereby each individual is encouraged to actively participate in identifying, preventing and reducing risks in the areas of Health and Safety;
- Adopt a Health and Safety management system and a serie of performance indicators to identify areas for active prevention and continuous improvement;
- Enable our People to be the source of our success, considering safety at all times.



“Focus on safety culture and behaviours to drive towards accident free work environment and enable our people to be the source of our success.”

OBJECTIVE =  ZERO ACCIDENT

Health and Safety principles are promoted recognizing that all accidents are preventable, that safety is the responsibility of everyone and that working safely is a condition for employment at 3B.



## Implementation

Since 2011, 3B has been working together with a safety consulting company to improve the safety culture of the organisation. Several studies have shown direct correlation between an organisation's safety culture strength and its incidence rate<sup>12</sup>.

Over the last 5 years, through audits and specific oriented action plans, we managed to make major improvements in our safety culture (driven by the DuPont Bradley value curve).

At 3B we acknowledge that most accidents are primarily behaviour related. This is the reason why during incident investigation process we focus on the behavioural root causes and remediation action plan. On top we have a BOS (Behaviour Observation System) in place.

Our employees are encouraged to perform observation sessions on all our sites and on all workstations to drive behaviour related conversations about work attitude.

We at 3B have created a position of Global QHSE-S<sup>13</sup> Leader so drive those efforts in a consistent manner throughout the company, support our sites, creating synergies and ensure proper awareness at the management level.

<sup>12</sup>[http://www.dupont.com/products-and-services/consulting-services-process-technologies/brands/sustainable-solutions/sub-brands/operational-risk-management/uss-and\\_applications/bradley-curve.html](http://www.dupont.com/products-and-services/consulting-services-process-technologies/brands/sustainable-solutions/sub-brands/operational-risk-management/uss-and_applications/bradley-curve.html)

<sup>13</sup>Quality Health Safety Environment - Sustainability

## 45<sup>th</sup> Safety week in Goa - 4<sup>th</sup> to 10<sup>th</sup> March 2016

The 45<sup>th</sup> National Safety Week was celebrated at Goa Glass Fibre Ltd., Colvale, Bardez, Goa from 4<sup>th</sup> to 10<sup>th</sup> March 2016. Safety Awareness posters and safety week banners were displayed at various locations inside the plant.

The week-long programmes, which were organised by safety committee members, included training to the employees on "Role of supervisor in safety Management & Effective functioning of safety committee", conduction of programmes on process safety, ergonomics, storage handling and transportation of LPG, health diet, noise induced hearing loss, fire safety and prevention. These programmes were attended by employees as well as contract employees including all safety committee members.

To encourage the participation of employees, on the spot prizes were given to the participants answering questions correctly during all the awareness programmes.

Mr. P.V.V.S Rao (Plant Director) briefed everyone present on the safety practices being followed and preventive measures implemented by the Management to avoid accidents, including the advantages of the new concepts being practiced within the company, results of which are clearly visible to all, resulting in maintaining a high safety standard in the company. He congratulated all for achieving 2.92 Score on Bradley curve rating in a safety assessment audit conducted by DuPont. He put into words safety objectives of the company for the year 2016 i.e. accident

free cold repair, upgrade housekeeping standards through implementation of 5S methodology, encourage awarding systems, conducting quarterly safety audits and behavioural observations developing infrastructure and facilities to maintain housekeeping standards, strengthening of incident investigations through "5 Why" analysis, strengthening of the safe operating procedures & job cycle checks. And finally, to maintain Zero Accident for the year 2016 by strengthening unsafe condition reporting system.

He affirmed that company is concentrating more on unsafe conditions and near miss reporting because it is our belief that if all the unsafe conditions and near misses are reported and investigated, we can prevent the injuries even of first aid nature.



## Performance measurements - objectives

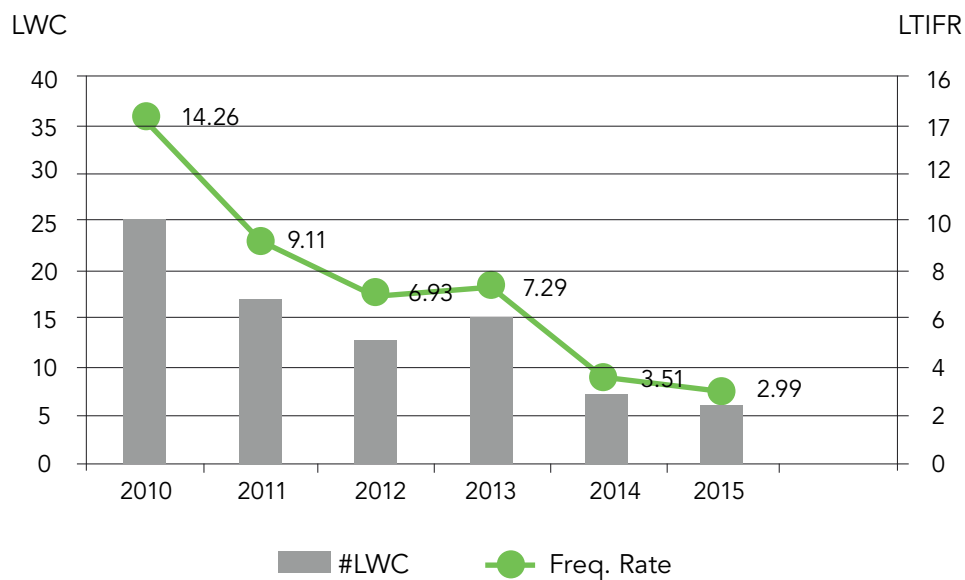
In the last 5 years a major decrease in Lost Workday Cases (LWC) and Lost Time Injury Frequency Rate (LTIFR) has been achieved. This decrease was achieved through the implementation of several initiatives:

- Safety audits and observations
- New safety management systems
- Risk awareness and communication
- Leadership training
- Successful behaviours programme

1,000

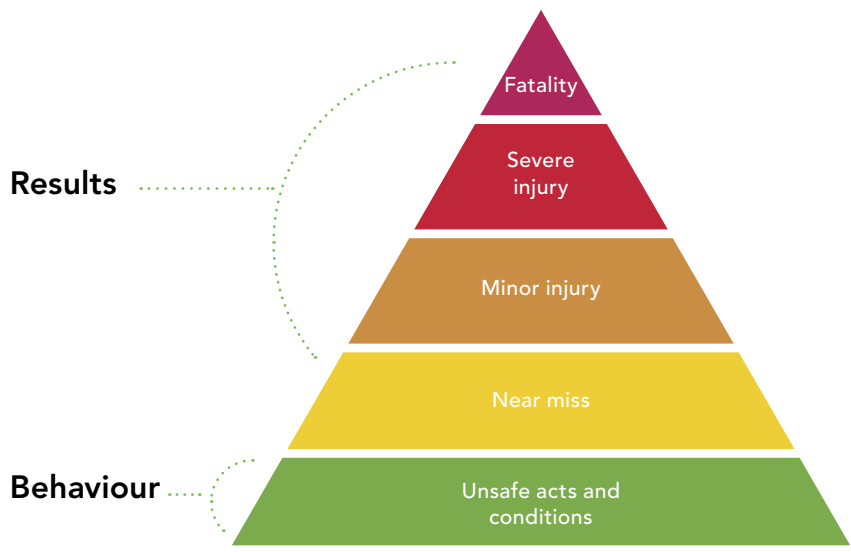
days without Lost Workday Cases (LWC) has been achieved in our plant in Goa

### Evolution LWC and LTIFR





Based on the accident severity pyramid (see below), we have compounded an indicator (accident index) on which we have set a target of 15% improvement per year over next 5 years so to be at 50% in 2020



Accident index = 60%\*Lost Workday Case (LWC) + 30% + Restricted Work case (RWC) 10% RECOrdable injury (REC)

**82%**  
of our people believe that all necessary measures are undertaken to ensure their safety

Every year during the engagement survey people are asked if they believe all necessary measures are undertaken to ensure their safety. Actions are taken considering the comments from those who answered "No" to this question. These actions will come in addition to the ongoing initiatives to reinforce our safety culture everywhere within our company

"Our commitment to safety is not just about avoiding hazards. It's also about adjusting our behaviours to continually prevent incidents and strive for improvement. We strive to create a work environment where any safety observation or discussion is not only welcome but actionable. This way, we remain focused on the most important safety goal of all: have each employee return home every day as healthy and safe as when they arrived at work", says PVVS Rao, Goa plant Director."



## 7.2 Product stewardship

### Context, Policy and Goals

Product stewardship for 3B means:

- Having the responsibility to make health, safety and environmental protection an integral part of all daily work
- Ensuring that adequate EH&S information is available to assess the health and safety hazards of each product for its intended uses;
- Having a product stewardship policy based on risk prioritisation;
- Ensuring product stewardship is engaged in product/process design and improvement processes;
- Ensuring that customers are provided appropriate product stewardship information.

### Implementation

The product stewardship strategy has been implemented by:

- Appointing a dedicated regulatory and product stewardship team with a clear organisation and structured processes (steering committee, periodic review and action meetings...);
- Providing training concerning chemical risks and regulations;
- Implementing a regulatory management system (Safety Datasheet management, regulatory watch and reviews,...)
- Performing in depth chemical risk and industrial hygiene review.

### Performance measurements - objectives

Our product stewardship objectives are:

- Ensuring that all harmful chemicals are identified and phased out action plan defined by year ending 2016;
- Ensuring proper follow-up of potential harmful chemicals;
- Phase-out of harmful substances in all our production sites;
- Ensuring supplier's contractual obligation on communicating any change and modification in hazards mentioned in safety datasheet;
- Ensuring no safety datasheet older than 3 years.

## 7.3 Employee engagement

“Our people are the source of our success”

### Context, Policy and Goals

As part of our strategy 2020, one important axis is that we want to enable our people to be the source of our success, considering safety at all times.

In relation with this, we established our HR ambition 2020 aiming at further engaging, energising and developing our employees to push them reach their full potential.

Recent assessment demonstrated that our people are satisfied to work at 3B and that they have a good level of engagement. Supported by various initiatives, our employees understand the Strategy and are committed to give their best to execute it and drive results.

- People know what we expect from them at work and are being provided regular feedback on their performance and contribution;
- People are being developed and trained to perform at their best level;
- 3B’s culture is being strengthen through a specific behavioural programme.



### Implementation

Every year in October, we run a survey to assess the level of engagement of our team as well as their perception on various topics such as:

- the effectiveness of the communication within the company;
- the level of understanding of the vision, the strategy and the main objectives of the company;
- the commitment to our values.

Based on the outcome of the yearly survey, plans are established to continuously improve ourselves.

We also recently launched a programme (“Our Successful Behaviours Programme”) aiming at promoting 9 critical behaviours to make them part of our DNA and take part in building a better, sustainable future for our company. The focus has been put on 4 key topics: Build trust, Deliver results, Stimulate innovation and Give recognition.

In parallel, we now put more emphasis on people development dedicating more time on establishing personal development plan and launching some key training programme.

## Performance measurements - objectives

In 2015 we reached a participation rate for the engagement survey of 96%!

The results of our engagement survey are given below:

Engagement survey	2014	2015
The understanding of the vision, the strategy and the main objectives	3.92/5	4.02/5
The way our values are lived within the company	3.63/5	3.73/5
The effectiveness of our communication	3.32/5	3.42/5
The overall satisfaction level vis-à-vis 3 B as an employer	6.96/10	7.3/10

The company is progressing but we set the bar higher for ourselves and we continuously strive to develop our behaviours to deliver on our HR ambitions and our company strategy.





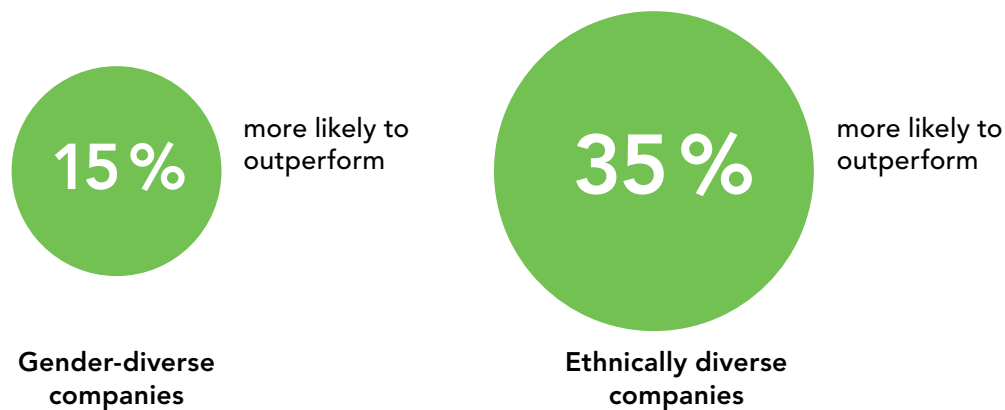
## 7.4 Diversity and equal opportunity



### Performance measurements

A research from McKinsey<sup>11</sup> finds that companies in the top quartile for gender or racial and ethnic diversity are more likely to have financial returns above their national industry medians. Companies in the bottom quartile in these dimensions are statistically less likely to achieve above-average returns. And diversity is probably a competitive differentiator that shifts market share toward more diverse companies over time.

According to McKinsey's Diversity dividend:



Source: McKinsey analysis

While correlation does not equal causation (greater gender and ethnic diversity in corporate leadership doesn't automatically translate into more profit), the correlation does indicate that when companies commit themselves to diverse leadership, they are more successful. More diverse companies, we believe, are better able to win top talent and improve their customer orientation, employee satisfaction, and decision making, and all that leads to a virtuous cycle of increasing

returns. This in turn suggests that other kinds of diversity (for example, in age, sexual orientation, and experience (such as a global mind-set and cultural fluency) are also likely to bring some level of competitive advantage for companies that can attract and retain such diverse talent.

Women remain underrepresented at the top of corporations globally.

<sup>11</sup><http://www.mckinsey.com/business-functions/organization/our-insights/why-diversity-matters>

For seven years, McKinsey's annual Women Matter studies have pointed out that companies with a "critical mass" of female executives perform better than those with no women in top management positions. We found that one reason for this outperformance lies in the leadership behaviours that women leaders tend to exhibit more often than their male counterparts.

Practically, according to a 2003 McKinsey Analysis, women tend to adopt the following leadership behaviours more frequently than men, which leads to an improved organisational performance:

- People development
- Expectations and rewards
- Role model
- Inspiration
- Participative decision making.

On the other hand, men tend to apply more often:

- Individualistic decision making
- Control and corrective action.

Women and men show an equivalent tendency to apply to following behaviours:

- Intellectual stimulation
- Efficient communication.

Source: Alice H. Eagly, Johannesen-Schmidt, and Van Engen, *Transformational, Transactional and Laissez-Faire Leadership Styles*, 2003; McKinsey Analysis

## Implementation

At 3B we aim to have a corporate culture where gender, diversity and women's leadership are compatible with the prevailing model.

We are committed to gender diversity and equal opportunities and believe that improvement starts with monitoring this diversity and addressing eventual gaps in corporate culture and mind-set.

## Performance measurements - objectives

Diversity facts and figures at 3B:

- We currently have 28 nationalities within 3B;
- We recruited about 130 employees (temporary workers included) during the last 12 months. Average age was 28 (min 18 – max 56);
- In the 2015 survey, the company scored 3,9/5 (3,82 in 2014) to the following statement: "I recognize that the company respects diversity";
- Figures related to gender diversity are given below.

	Birkeland	Goa	Battice	HQ
Number of women	68 (48%)	10 (4%)	7 (2%)	21 (40%)
Number of men	147	267	469	52
Number of women in management teams	3	0	0	0



# Market

# 8



## 8.1 Sustainable innovation

### Context, Policy and Goals

This vision is based on three main strategic motivations which are sustainability, technological innovation and a global presence in order to follow our main customers globally in an efficient way.

3B works towards improving the performance of its customer's products by creating sustainable added value and by supporting them support in their growth strategies.

“The vision of 3B is to be the preferred supplier of value creating, innovative glass fiber solution for automotive and wind applications.”

### Implementation

Sustainability is integrated in the new solution development programme of 3B.

Sustainability performances of new solutions are evaluated against three dimensions:

- **People** - In this dimension, we evaluate the impact of the project on the health and safety of the people. The impacts could be internal when we consider our workers, external if we consider our customer's workers, and it could also integrate the impact on the final consumers.
- **Planet** - In this dimension we consider the impact of the project on the Planet on a broad sense, focusing on both the resource consumption and the emission, internally or externally from our customers down to the end users. "Emission" includes air-water emissions and waste;

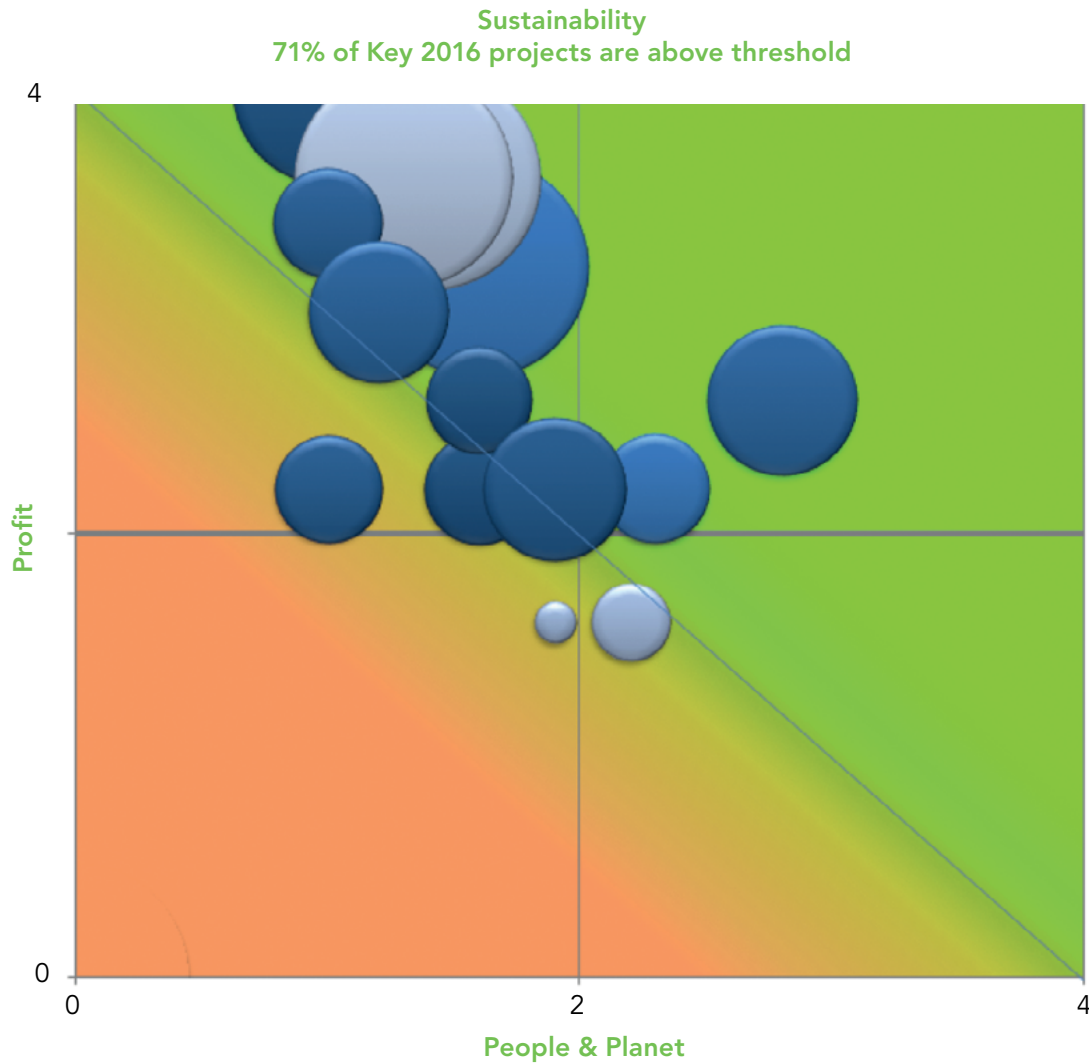
"Consumption" is about the resources efficiency of water, energy and all raw materials.

Those three dimensions are rated on the basis of objective criteria. A sustainability matrix can then be drawn as shown below. Each project is illustrated by a bubble and position into the financial impact it should have on 3B.

A project is considered to contribute positively to our Sustainability objectives when it is positioned in the top right triangle of the Matrix.

- **Profit** - In order to be sustainable, we need to develop innovative solutions that bring value not only to our company but also to our customers. Without profit, no company can survive.





## Performance measurements - objectives

Sustainability is one of the key criteria for the selection and the prioritization of the projects. The Sustainability Matrix is part of the Business Cases which are built, discussed, approved and followed at the 3B Value Added Committee.

In 2016, looking at our top key projects, 71% of the projects were above the threshold.

The 2020 objective is to have 85% of our projects portfolio above the threshold.

## 8.2 Customer satisfaction

**“Our objective is to continue enhancing our dimension of sustainability partner by sharing responsibility which means to go way beyond the compliant supplier status”**

3B commits to:

- Be a reference in its industry for the Quality of its products and services;
- Foster a quality culture with the objective of developing, manufacturing and providing products and services with zero defects that are trusted and preferred by our customers;
- Continuously challenge ourselves to improve the quality management system to guarantee, prevent quality incidents and eliminate defects through the review of quality objectives and results;
- Encourage participation and promotion of quality responsibilities amongst all employees and third parties through standards, education, training and coaching, supervision and effective communication;
- Ensure each and every employee is involved and dedicated to achieve high Quality standards for our customers;
- Strive for zero defects and no waste by constantly looking for opportunities to apply our continuous improvement approach to deliver competitive advantage;
- Engage everybody's commitment across our complete value chain and at all levels of our organisation to build the Quality Culture and encourage a management attitude that anticipates potential Quality issues.



## Implementation

Beginning of this year a Global Quality Health Safety Environment-Sustainability Leader was appointed to drive efforts around quality in a consistent manner throughout the company, support our sites creating synergies and ensure as well awareness at the management level. Through the creation of this new job, the management team has demonstrated its commitment to further raise the bar on quality and increase the efficiency of the integrated management system.

Increased focus has been given this year to ensure proper complaint handling and reduce response time to the customers. Organisation has been reviewed and additional and more efficient meetings are organised to ensure proper analysis, follow-up of complaints and closing of identified preventive actions.

The MEx initiative and methodologies are also of great help. Several trainings

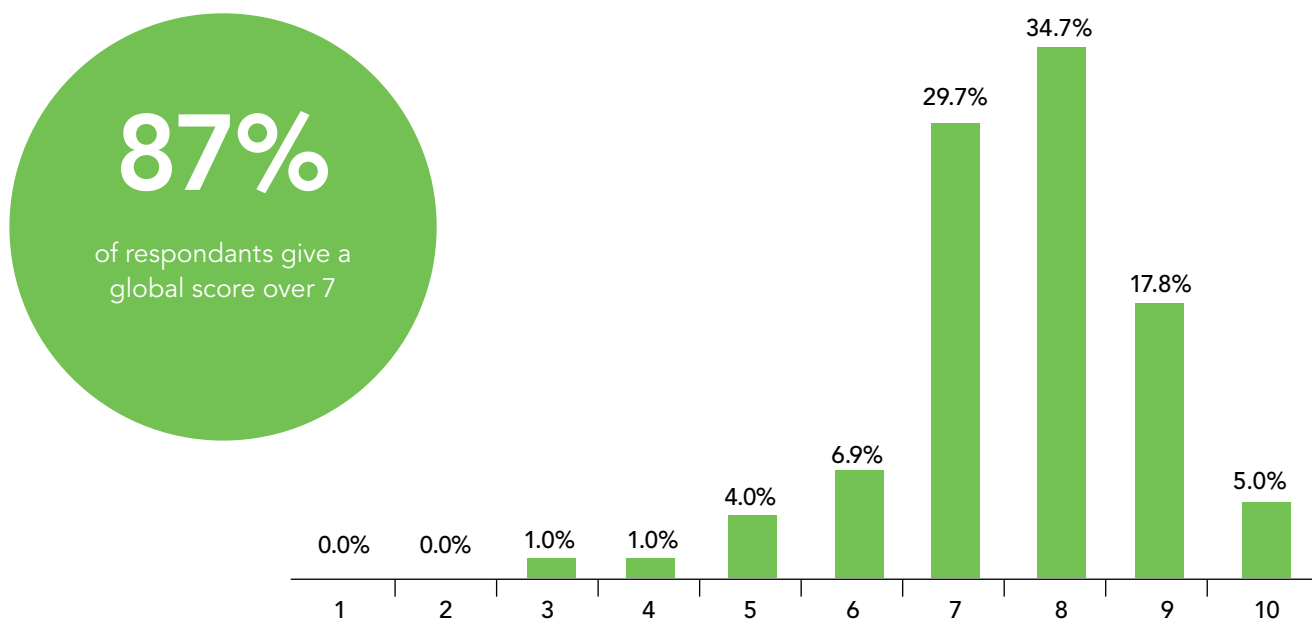
have been provided this year on several operational excellence topics such as Root Cause Analysis (5Why, ...), Problem solving (TOPS8D), ...

In line with our plants ISO 9001 certifications, customer satisfaction evaluations are performed on a regular basis.



## Performance measurements - objectives

The figure below provides the results obtained on the question of our last detailed external Customer Satisfaction evaluation: "Overall, how could you rate 3B on a scale from 1 to 10?".



The objective for 2017 and beyond is to perform one-to-one interviews with key customers in order to have a thorough insight on their satisfaction level and drive our continuous improvement quality programme in the corresponding direction.

## 8.3 Business continuity

### Context, Policy and Goals

“Ensuring reliability of critical business functions to prevent and overcome incidents to always fulfil customer needs”

This is by definition a very broad topic. The ISO norm defines it as “the capability of the organisation to continue the delivery of products or services at acceptable predefined levels following a disruptive incident”. Eventually, it is all about putting the right processes in place in order to identify risks that can disrupt an entity’s continued operations and equally important provide a framework for building organisational resilience and the capability to give an effective response to eventual incident.

This concept does particularly make sense with sensitive industries, running around the clock, as any disruption can eventually drive towards severe consequences on people and finances.

### Implementation

At 3B we have chosen to focus on 4 major pillars which we consider to be the most important at our stage.

#### **1. Run continuous supplier reliability evaluation through yearly critical material risk analysis.**

3B suppliers are one of the key stakeholders of the company. Glass fibre is a delicate product to manufacture. Achieving the highest level of quality with good efficiencies requires a stable production process and each supplier to fulfil its role and meet the highest standards consistently. For 3B to deliver the right product to its customers it is essential that all suppliers meet their requirements and ensure good and reliable supplies. That means providing the right service or the right product with the right quality, on time and in a competitive way.

#### **2. Enhance the asset reliability to remain a High Protected Risk (HPR) company.**

Glass fibre is an asset intensive activity. The production process requires stability. Every equipment failure, even minor, can cause huge disruptions. 3B relies on strong technical expertise and long experience in the manufacturing process which is hugely valuable to avoid issues. However, the search for continuous productivity requires pushing the bar further and taking calculated risks. In order to minimize the exposure to machinery breakdown or external hazards, 3B has been working for years with external advisors to identify potential risks and take preventive actions. Thanks to this dedication and joint efforts, 3B has been ranked amongst the Highest Protected Risk companies. It will certainly never eradicate risks but for sure reduce it tremendously. The close cooperation between 3B and the advisors’ engineers in dedicated forum where risks are discussed openly in a constructive way, allows facing reality and putting the right actions in place while taking into account the business specificities.

#### **3. Implement crisis management measures, harmonize and frequently review contingency plans.**

Everything is done at 3B to avoid a crisis situation. However, if something would happen it is essential to react with the right response in a fast way to minimize the overall impact. Plans and procedures have been implemented in all 3B plants for years. These plans are going to be refreshed and harmonized to enhance the communication between the various parts of the organisation and gain in efficiency by a proper alignment between all parties involved. 3B has engaged with a third party to gain quick and



reliable insight in what should be improved to the major business risks identified as well as water proof processes and procedures to cope with potential issues.

#### **4. Drive towards financial sustainability through a specific 9 Quarter Profit Improvement Programme.**

The glass fibre industry has been strongly challenged in the last decade. It arised from the overall market conditions and the heavy investments made by Chinese producers who have built huge excess capacities in just a few years, supported by the state and local governments through subsidies.

A certain level of profitability has to be reached to maintain market position, reinvest in the asset and cope with customer and market growth. 3B has defined a certain threshold of profitability to reach. To meet that threshold a specific programme called the 9 Quarter Profit Improvement Programme (9Q PIP) has been executed since January 2014 with the objective to reach the targeted running rate by Q1 2016. The programme which has had the highest visibility in the organisation was aiming at going after each and every opportunity to improve the top line and/or the cost structure and tackle all initiatives with the same rigour and method. It consisted in defining projects, giving challenging but realistic targets and providing regular updates on the progress while aligning teams and defining mitigation plans to cope with deviations.

### **Performance measurements - objectives**

- 3B targets to audit the major suppliers at least once a year in all 3 manufacturing facilities. A process has been set to target a certain amount of vendors per quarter per plant.
- At least once a year a formal meeting is held with the external advisor regarding our asset reliability and risk prevention programme. The objective is to review the potential risks for each facility as well as the progress on the action list defined the year before. According to that assessment, 3B' High Protected Risk (HPR) rating would be re-assessed.
- A formal process is being designed for implementation in 2017 to review the risk mapping of the organisation and implement the new crisis management communication plan.
- The 9 Quarter Profit Improvement Programme reached completion at the end of first quarter 2016. 3B reached its previously set financial objective. However, it was decided to continue driving the Profit Improvement Programme for the period 2016 to 2018, based on the previously run process which proofed to be successful. New targets will be set during the 2017 budgeting process which is due to be completed by end 2016.



## 9.1 Ethics and business conduct

### Context, Policy and Goals

3B is committed to conducting its business in accordance with applicable laws, rules and regulations and the highest standards of business ethics and ethical conduct.

Integrity comes from action, not words. Unyielding personal integrity is the foundation of corporate integrity. 3B aims to create an environment that allows individuals to excel, be creative, take initiative, seek new ways to solve problems, generate opportunities, be accountable for our actions and be recognised for our contribution and teamwork.

3B’s commitment to ethical and lawful business conduct is a fundamental shared value of its board of directors, management and employees and critical to the company’s success. These standards for business conduct provide that the senior management and employees will uphold ethical and legal standards vigorously as the company pursues its financial goals, and that honesty and integrity will not be compromised anywhere at any time. Consistent with these principles, the company’s board adopts this code of conduct as a guide to the high ethical and legal standards expected of the senior management. These standards are not voluntary but mandatory.

At 3B, we consider our people as the source of our success. We promote a safe workplace, where passion, entrepreneurial and team spirit, trust, respect and integrity are shared amongst all.



Our corporate values are a critical part of who we are as a Company. They are our fundamental beliefs. They guide our actions. They influence the way we work and the way we engage with our customers.

## **Strength**

As the strength of our products reinforces composites applications, the strength of our people makes 3B-the fibreglass company a solid partner based on both competence and integrity. We offer dynamic strength to identify potential, leverage opportunities and act with flexibility in a solution-oriented manner.

## **Reliability**

We are fully committed and dedicated to our customers. You can count on us and on our products. With efficiency and discipline, we give our best to deliver consistent top quality products and services, and meet customer demands. We do what we say. We fulfil expectations and keep promises.

## **Proximity**

With the objective to best meet and exceed our customers' needs, we maintain close relationships with them and build real long-term partnerships. We listen carefully to our partners and endeavour to understand their needs. This human proximity is completed with a geographical proximity with our European customers. And, as our customers expand globally, 3B has developed its international presence to support them with the same service level around the globe. Such a comprehensive proximity allows us to develop value added solutions beyond the product itself and to react quickly to changing needs and challenges.

## Implementation

A Business Code of Conduct has been reviewed and implemented throughout all the company at end of 2015.

This Code of Conduct reflects the business practice and principles of behaviour that support this commitment. The Board of Directors is responsible for setting the standards of conduct contained in the Code and for updating these standards as appropriate to reflect legal and regulatory developments. The Code is intended to provide guidance and help in recognizing and dealing with ethical issues and to help foster a culture of honesty and accountability. Every employee is expected to read and understand this Code and its application to the performance of his or her duties, functions and responsibilities.

Awareness of all 3B employees has been ensured: the Code of Conduct is available online and all have signed it.

## Performance measurements - objectives

3B will continue improving awareness of the Code of Conduct and his principles.



## 9.2 Supplier engagement

### Context, Policy and Goals

Our Suppliers represent a critical component of our proposition of high performance and value. Therefore, in line with its mission, 3B collaborates with its Suppliers to identify further opportunities to improve responsible business practices. To actively engage its Suppliers in its journey towards sustainability, 3B has defined a Supplier Code of Conduct (SCoC), which is to be applied by all 3B Suppliers worldwide. The Supplier Code of Conduct forms the foundation for the cooperation between 3B and its Suppliers towards the goal of achieving its quality, sustainability and performance objectives.

You will find our Supplier Code of Conduct on our website.<sup>15</sup>

### Implementation

The Supplier Code of Conduct has been developed and sent to top suppliers of all plants in 2013.

Compliance with this Code should be assessed on a regular basis through self-assessments. 3B may also solicit third-party assessments or conduct on-site audits to assess compliance with this Code. Although this Supplier Code of Conduct only applies to 3B's direct Suppliers, 3B encourages its Suppliers to invite their own suppliers to comply with those terms.

Early 2016 a renewed structured approach has been implemented to ensure transmission and signature of this Supplier Code of Conduct (and enabling monitoring of performance).

Sustainability and social responsibility is also part of the supplier evaluation forms and supplier audit questionnaire.



### Performance measurements - objectives

Mid-2016 the Supplier Code of Conduct (SCoC) has been transmitted to 90% of the suppliers of plant in Battice Belgium. 29% of the transmitted SCoC have been signed. Several suppliers did not sign, but did comply with the principles and sent their own Code of Conduct. In total 31% of the suppliers have signed or committed to the principles.

The objective for next year is to ensure transmission and commitment to SCoC to all suppliers in all locations.



<sup>15</sup> <http://www.3b-fibreglass.com/wp-content/uploads/New-supplier-code-of-conduct.pdf>

## 9.3 Transparency, accountability and reporting

### Context, Policy and Goals

More and more companies and organisations want to make their operations sustainable. The expectations that long-term profitability should go hand-in-hand with social justice and the protection of the environment are also increasing.<sup>16</sup>

3B believes that sustainability reporting will help to reach our sustainability objectives by measuring performance and engaging key stakeholders.

According to UN Global Compact Annual Implementation survey, 81% of companies attribute progress on their sustainability work to participating in the Global compact.

In the face of rapidly changing societal, environmental, competitive and regulatory pressures, businesses need to be open to learning from diverse sources. Therefore, by disclosing on our organisation's impacts and sustainability performance, we also aim to drive and improve external sustainability aspects.

The importance of a proper materiality analysis and stake holder engagement can't be sufficiently emphasised. It ensures the right focus is given to the strategic topics. In a survey realised by AccountAbility<sup>17</sup>, 61% of companies surveyed stated that stakeholder engagement and materiality are "very important" to risk management and reputation management.

The participation of stakeholders in developing and achieving an accountable and strategic response to sustainability is called inclusivity. Stakeholder Engagement is a tool that organisations use to help them achieve inclusivity.

Stakeholders are not just members of communities or non-governmental organisations. They are those individuals, groups of individuals or organisations that affect and/or could be affected by an organisation's activities, products or services and associated performance with regard to the issues to be addressed by the engagement. Stakeholders include customers, employees, neighbours, NGO's, government...

Markets evolve and the drivers of value shift. Things that definitely did not count yesterday may make or break an organisation today; while what might be important today may turn out to be irrelevant tomorrow. Therefore 3B aims to yearly review his materiality analysis to ensure the sustainability strategy is in line with the stakeholders expectations.



<sup>16</sup> AccountAbility, BT Group Plc and LRQA, 2006

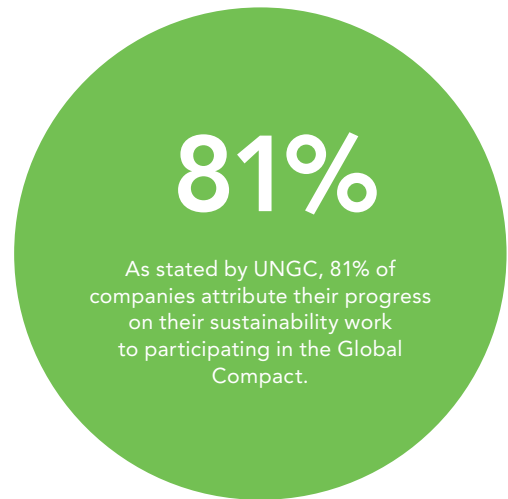
<sup>17</sup> AccountAbility, BT Group Plc and LRQA, 2006

## Implementation

Last year 3B defined its sustainability strategy based on a materiality analysis. This materiality analysis was performed based on the sustainability context (external sustainability landscape report and literature study) as well as on stakeholder interviews.

The materiality processes are driven by the need to consider what is really important for our business and our stakeholders and to develop a basis for communicating this internally and externally<sup>18</sup>.

3B recently committed to support the UNGC initiative and join the global network of responsible business societies. By joining this UNGC initiative, we are committed to prepare an annual sustainability report and Communication On Progress (COP).



## Performance measurements - objectives

Our objectives related to accountability and sustainability reporting are:

- Promote internal understanding of the link between sustainable development issues and business strategy;
- Improve the materiality analysis by increasing the involvement of stakeholders;
- Drive the sustainability challenge up in the mind of the organisation through regular discussion, articles, information sharing...

<sup>18</sup> AccountAbility, BT Group Plc and LRQA, 2006



## 9.4 Certifications

### Context, Policy and Goals

Through external certifications we want to assure our customers that our products, systems and organisation are safe, reliable and good for the environment.

### Implementation

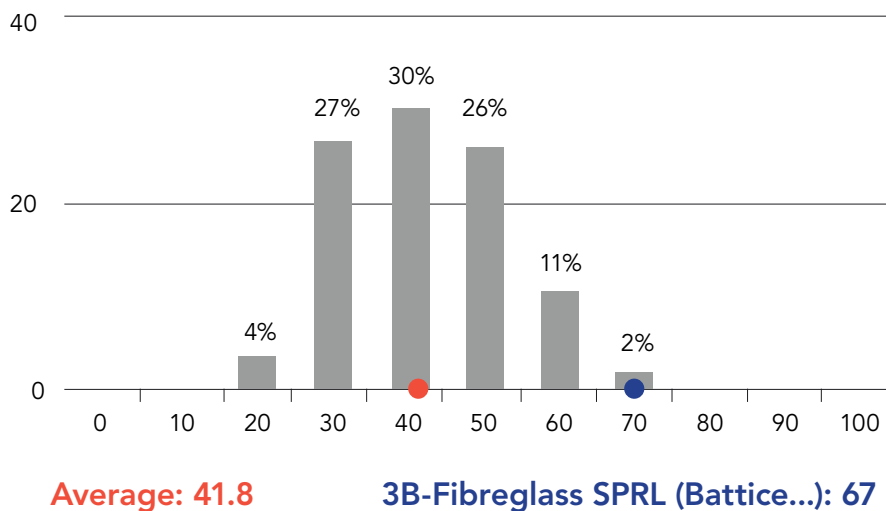
All our plants are certified ISO9001, ISO14001 and ISO18001.

Our plant in Battice (Belgium) assessed several times by the online EcoVadis platform. The EcoVadis methodology covers 21 criteria across four themes of environment, fair labour practices, ethics/fair business practices and supply chain. The methodology is built on international CSR standards including the Global Reporting Initiative, the United Nations Global Compact and the ISO 26000.

### Performance measurements - objectives

In our plant in Battice, we moved from an EcoVadis score of 52/100 corresponding with a status of Confirmed in 2013, to a score of 67/100 in 2016 corresponding with a status of Advanced with CSR GOLD Rating

**3B-Fibreglass SPRL (Battice site) compared to all suppliers assessed by EcoVadis**



**Environment:** 3B-Fibreglass SPRL (BATTICE SITE) is in the **TOP 10%** of suppliers assessed by EcoVadis in the category Manufacture of glass and glass products.

**Labor Practices:** 3B-Fibreglass SPRL (BATTICE SITE) is in the **TOP 3%** of suppliers assessed by EcoVadis in the category Manufacture of glass and glass products.

**Suppliers:** 3B-Fibreglass SPRL (BATTICE SITE) is in the **TOP 4%** of suppliers assessed by EcoVadis in the category Manufacture of glass and glass products.

**Overall:** 3B-Fibreglass SPRL (BATTICE SITE) is in the **TOP 2%** of suppliers assessed by EcoVadis in the category Manufacture of glass and glass products.

**Overall:** 3B-Fibreglass SPRL (BATTICE SITE) is in the **TOP 2%** of suppliers assessed by EcoVadis in all categories.



3B opted to go for an integrated sustainability approach, in line with the UNGC requirement. Not one which is focused on improving its impact on environment only but one which embraces the four areas of environment, people, market and governance, all together. Only by embedding deeply sustainability within the organization can a genuine and reliable impact be reached over time. We deeply believe in a few simple facts. We, as an organization, have a duty in reducing to the minimum our impact on the environment. 3B's employees are the main and most valuable asset of the company. When people feel good about their company they give it back so many times. It has been so at 3B for years and it will remain so for the future. 3B is close to its market and its customers in particular. Focusing on better serving and delighting its customers and driving towards sustainable product and solution developments help the organization steer in the right direction and meet the mid and long term objectives. Finally, a proper and regular reporting is forcing individuals to constantly keep the right focus.

Eventually, such an initiative on sustainability will only deliver if there are clear and understood objectives and people adapt their own behaviors to take the right actions towards the overall objective. People actively listen to understand others' opinions and take them into account. They set high standards for them and their colleagues. They take commitments and accountability at their own level and deliver on them. They proactively help each other, and share their expertise. They analyze situations to better anticipate and act in the best possible way to find solutions together. They suggest and implement new relevant ideas and find ways to overcome obstacles and implement solutions. Finally, they celebrate success for a job well done. 3B strongly promotes those behaviors internally also to meet its sustainable challenge.

We cannot conclude without thanking one more time all stakeholders who contribute to this exciting journey: customers, employees, suppliers and all other partners for their continuous support and drive. All this would not be possible without each of you. Thank you.



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