

Graphius

Sustainability report 2015





**Watch our NEW
corporate film!**



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Dear reader,

Last autumn, Graphius published its first sustainability report, with a summary of our activities at our production site in Ghent. Following the many positive responses we are proud today to publish our second sustainability report, reporting on 2015.

Worldwide, 2015 was a year that we would prefer to forget: the attack on Charlie Hebdo, the earthquakes in Nepal and Chile, the attacks in Paris on 13 November ... Yet it is precisely in Paris that the bright spots of 2015 can be found. In December there was the *2015 United Nations Climate Change Conference*, the so-called “Paris Climate Conference”. The COP21 aimed at concluding a universal agreement to curtail the emission of greenhouse gases. That is absolutely essential to limit global warming to 2°C above the pre-industrial era. A task that is not insurmountable, and also a historic agreement, because Paris became the first global climate agreement. We are strong together.

That is the philosophy of our group, from its origins a family business that grew from the principle that we are stronger together. In order to cope with the diverse economic and social challenges, we refined our growth strategy, formed through the joining with Geers Offset of Sintjoris, New Goff, Druk In De Weer, De Duurzame Drukker, Deckers Snoeck, Boone-Rosens and Etiglia. Our family business has grown into a family of companies. The name of that family is Graphius.

Boone-Rosens and Etiglia continue to produce at our division in Brussels, to respond to the needs of our customers in Middle and Southern Belgium. The production of other member firms remains centralised in Ghent. This strategy of distribution guarantees a continuous growth within and beyond our borders.

To respond to future challenges, our strategy also includes investment. In new partnerships, in technology, in buildings and accommodation, in our team and in a safe and healthy working environment for our employees. With each investment or acquisition we take account of the (potential) impact our decisions have on the environment.



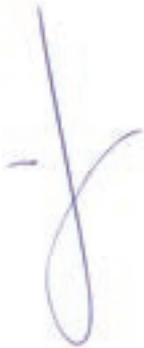
Graphius strives for a more sustainable printing process. This implies a gradual and deliberate approach through which we do not only grow sustainably, but also grow in sustainability. Obtaining ISO 9001 and ISO 14001 certificates for respective quality management and environmental management proves that the chosen path, that of sustainable quality, is already ingrained in the structural operational activities of Graphius.

We will continue to inform you about the steps we took through our sustainability reports, other communication channels and personal discussions. I am happy to announce that our cooperation with the sheltered workshop, Ryhove was expanded further in 2016 and that, in cooperation with the VDAB and Grafoc, we will provide training to 18 new employees thanks to the tax shift of the federal government.

Do not hesitate to contact us with any suggestions or to provide feedback on our sustainability strategy. Your opinion is important to us.

I hope you enjoy reading our report.

Kind regards,



Denis Geers





University of Applied Sciences
Digital Business Program
2018-17

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2018-17





SUSTAINABILITY REPORT AND ORGANISATION PROFILE

At the Ghent site, six separate companies - Geers Offset, Sintjoris, New Goff, Druk In De Weer, De Duurzame Drukker and Deckers Snoeck – realise their printing on modern production equipment with cutting-edge machines.

The employees at Graphius in Ghent prepare deliveries for customers in Belgium, the Netherlands, France, Germany, United Kingdom and the USA.

In 2015 two entities joined the group, namely Boone-Roosens and Etiglia from Brussels. They continue to produce in Brussels.

Looking ahead to 2016 we can already point to the strategic alliance with Flyer.be. Since 1 March 2016 the largest online and largest offline printing companies in Belgium are structurally working together. Graphius Group has a broad product range but is specialised in printing books, catalogues and magazines. By cooperating with Flyer.be the “commercial printing” segment will be substantially expanded.

SCOPE OF THE REPORT

In this second sustainability report, we report on our corporate social responsibility at the production site in Ghent and the six companies that produce their printed matter there. Boone-Roosens and Etiglia, the two companies in the Graphius Group with production in Brussels, fall outside the scope of this sustainability report.

Graphius was originally formed from the merger of six companies. In recent years it has focussed on expanding production capacity by combining several printing companies. These companies retain their commercial identity but communicate in a uniform way since May 2016.

MISSION: Graphius Group wants ... **GRAPHIUS**

To be a leading producer of printed matter

MISSION: Graphius Group wants ... **GRAPHIUS**

To be concerned and operate with care for people and environment

MISSION: Graphius Group wants ... **GRAPHIUS**

To invest in innovation to respond to customer demands of today and tomorrow

MISSION: Graphius Group wants ... **GRAPHIUS**

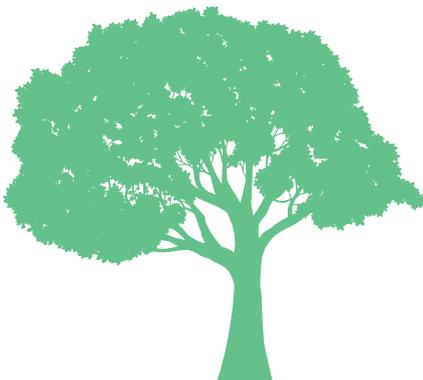
To remain a healthy family business with a sustainable future

MISSION: Graphius Group wants ... **GRAPHIUS**

To be socially responsible, to work respectfully and fairly

IN SHORT:

TO WORK CONSTANTLY TO A MORE SUSTAINABLE PRODUCTION PROCESS FOR PEOPLE AND THE ENVIRONMENT THROUGH THE USE OF THE LATEST TECHNOLOGY.



Geers Offset nv, Drukkerij Sintjoris bvba, New Goff nv, Druk In De Weer bvba, De Duurzame Drukker bvba and Deckers Snoeck nv are 100% owned by Dpg bvba. The companies together realise a consolidated turnover of €46 million.

The family shareholders of Graphius and the executive committee, comprising the directors of the various companies meet regularly. They closely monitor the situation and developments.

Graphius Group expanded in recent years through accessions. This was a challenging process of transition for all aspects of business – from directing all employees to following up deliveries. The six companies at the site in Ghent have applied a uniform methodology since 2014 for data collection and analysis. Comparing data from before 2014 is not possible. The figures in this sustainability report refer to the period 1.1.2015 to 31.12.2015 and/or the comparison with 2014.



We report according to the GRI 4 Guidelines – Core level – over the past years 2013 to 2015. We have included the GRI table at the end of this sustainability report with reference to the corresponding page(s) for GRI disclosures and GRI performance indicators.

Based on materiality exercise we determined the substantive aspects of the organisation of our equipment and what we would report on in our sustainability report. Important aspects of this report include employees, paper and inks, energy and water. Outside our organisation we will discuss transport and logistics, the printing sector and employment market aspects.

We published the first sustainability report on 27 November 2015. We reaffirm our commitment with this second sustainability report. We will publish a sustainability report annually. From this year we will do so in the spring.

Our sustainability reports will provisionally not be verified externally. Some issues that were included in the ISO 9001 and ISO 14001 certificates, are monitored well internally and externally in this way. The return on investment is temporarily limited to “external assurance”.

OUR HISTORY

Graphius has a rich history. For 88 years the printing firm has been connected with Oostakker and Ghent. The printing firm grew from a family business to an innovative SME that combines ambitious plans for the future with the values and strength of a family enterprise.

- Geers Offset is FSC-certified.
- To meet the various financial and social challenges, plans take shape to combine the strengths of different printing companies. This strategy results in Graphius.

GRAPHIUS

2009

2010

2008

The global banking crisis hits. The printing industry suffers greatly, but Geers Offset survives and future plans take shape.

2007

Geers Offset launches Picturebook, the range of personalised photo gifts aimed at the consumer.

2000

Denis Geers joins the business, followed a little later by his brother Philippe Geers. Geers Offset goes international.

1977

Emiel Geers takes over the business from his father together with his wife, Micheline.

1928

Vergers André Geers, the grandfather of Denis and Philippe Geers, establishes the Printing and publishing firm A. Geers.

Sintjoris moves to the production site of Geers Offset to join Graphius.

2003

Sintjoris builds an extra production hall and introduces an 8-colour press, a folding machine and stabling machine.

1995

Printing company Sintjoris moves to Merendree.

1984

Marc Vandepitte takes over the printing company from the brothers Roger & Firmin De Keuckeleire in Sint-Denijs-Westrem.

New Goff decides to join Graphius.

1999

The CP-group folds. Luc Vermeire founds New Goff with his closest colleagues.

1992

Goff joins the Continental Printing Group.

1976

Luc Vermeire founds GOFF (the Ghent OFFset printing firm).

GEERS OFFSET

SINTJORIS

NEW GOFF



DRUK IN DE WEER

DE DUURZAME DRUKKER

DECKERS SNOECK

BOONE-ROOSENS

ETIGLIA

2012

To spread the green expertise to a larger whole, Druk In De Weer joins Graphius.

1997

Druk In De Weer moves to the Forelstraat and implements a number of innovations.

1985

Druk In De Weer becomes a cooperative company. It is a printing company for, but also of its customers.

1982

A group of committed individuals with green ideologies founds Druk In De Weer, that focusses on environmentally responsible printing.

2013

The knowhow and experience with CSR is now used for Graphius.

2011

De Duurzame Drukker wins the Award for Best Belgian Sustainability Report.

2009

- Printing company Ignace Wils registers the tradename 'De Duurzame Drukker'.
- De Duurzame Drukker is the first printing company and SME in Belgium with a sustainability report.

2007

Halina Bletek, Ignace Wils' wife, joins the team.

1999

Ignace Wils takes over the printing business (with his grandfather's name) from his parents.

1898

Printing company Ignace Wils is founded.

2013

The Deckers Snoeck group makes the reverse journey and moves back to Ghent to join Graphius.

2005

The printing company from Verrebroek takes over the Ghent printing company Snoeck-Ducaju, and moves to Zwijndrecht.

1989

Joris, Ewald and Paul Deckers take the business over from their father.

1942

Deckers Druk starts under full German Occupation.

2015

Boone-Roosens and Etiglia join Graphius.

2012

Luc Roesems takes the business over and immediately creates new impetus.

1995

Boone-Roosens moves to a new building in the industrial area on the border between Lot and Ruisbroek.

1918

Petrus Roosens starts his one-man company during WWI under the church tower of Ruisbroek.

2015

2013

Boone-Roosens starts printing labels and stickers.

- Stad Gent and Emaze hold an energy audit.
- Graphius becomes a member of IMPRIM'VERT in France.

- Graphius becomes a member of Kauri.
- Graphius consults with Climate Partner on the calculation of the CO₂-footprint (based on incomplete data for the entire group). Customers can choose to print CO₂-neutral.

- Graphius becomes a member of The Shift.
- The first sustainability report (on 2014) is the precursor of the copy you are holding.



AND THE FUTURE?

GRAPHIUS GROUP IS AMBITIOUS. WE WANT TO REMAIN A LEADER IN THE PRINTING INDUSTRY AND TO STRIVE FOR SUSTAINABLE GROWTH AND GROWTH IN SUSTAINABILITY.

GROWTH IN SUSTAINABILITY

Margins are under considerable pressure in the printing industry. Our dreams and aspirations for sustainability must be realised in phases so as not to put the financial health of the business at risk. Some adjustments require investments in new technology. Experimentation is not always possible precisely because of the constant pressure on the profit margins. We continue to strive for a more sustainable printing process, for people and the environment.

In 2015 a team of employees of the Graphius Group worked on the preparation of the audit that would take place in 2016, with the aim of achieving the ISO 9001 and ISO 14001 certification. With ISO 9001 (quality management system) and ISO 14001 (environmental management system) Graphius confirms to its national and international customers that they support them with a strong service and deliver top quality printing while taking account of the various aspects of corporate social responsibility. We are proud to report that we are ISO 9001 and ISO 14001 certified since early 2016.

SUSTAINABLE GROWTH

As a family business Graphius developed into a family of printing companies. In future the family may continue to grow through accessions of other companies, if they are in synergy with the vision of the shareholders.

The group can grow through accessions, but collaborations with other partners can also strengthen Graphius' position. On 1 March 2016 the largest offline printing firm and the leading online printing firm in Belgium combined forces. Graphius and Flyer.be work together structurally, which generates added value for both companies.



OUR CATALOGUE



Graphius is a printing firm and its core activity is producing printed matter. We specialise in printing books, catalogues and magazines. We realise 55% of our turnover in the magazines and catalogue product group, 35% in book printing and 10% in commercial printing. We mainly work B2B, but we also deliver occasion printing for private customers with the same care.

Personal approach



Quality control



55% magazines and catalogues
35% books
10% commercial printing



Shipping possible



Wide range of projects can be printed and finished in-house

Graphius is an innovative SME that invests in the best available technology, if they also meet the standards for working at our scale. We have 64 Heidelberg presses and an integrated bindery. The composition of our machinery allows us to print and finish a broad range of projects in-house. We can

closely monitor the quality throughout the process. Because we can combine projects, we can work more efficiently and less energy is lost. An additional advantage of our setting, is that printed matter is exceptionally finished externally. This has a positive impact on our logistics and our CO₂ footprint.



OUR STAKEHOLDERS

In 2015 we communicated more and more intensely with our stakeholders. Graphius' first sustainability report and regular social media posts are two examples of this.

We received positive reaction from our stakeholders to the first sustainability report. They are looking forward to the sequel. In this second sustainability report we will give an update to our stakeholders and potential partners. This sustainability report is published in Dutch, French and English to give all stakeholders an opportunity to read it. In preparation for this report we mapped our stakeholders and the way in which we communicate with them.

SUPPLIERS

Graphius magazine (2x/year), website, social media, sustainability report (annual), trade shows

CUSTOMERS

Graphius magazine (2x/year), website, social media, sustainability report (annual), company visits, trade shows

EMPLOYEES

intranet, notice boards, screens in the canteen, direct mailing, website, social media, sustainability report (annual), Graphius magazine (2x/year)

SOCIETY, SCHOOLS

Graphius magazine (2x/year), website, social media, sustainability report (annual), occasional company visits

SHAREHOLDERS

Family meetings

COMPETITOR COLLEAGUES

Exchanging experience via personal contacts and industry organisations, sustainability report (annual)

NEIGHBOURHOOD

Graphius magazine (2x/year), website, social media, occasional company visits, sustainability report (annual)

GRAPHIUS

- Generically we communicate to our (potential) stakeholders with information on the website and in the Graphius magazine, in our sustainability report and on social media.
- The production site in Ghent is at the heart of our company where over 200 **employees** work together to realise the projects of national and international customers. We also have specific communication channels for our internal stakeholders, through which we can reach them personally and/or as a group.
- Our **customers** are our partners. We must re-earn their trust every day. Thanks to regular meetings with our customers and close monitoring by our colleagues, we deliver our printed matter to predominately very satisfied customers.
- We inform **society** in general through our generic communication. For **schools and “the neighbourhood”** we go a step further. Occasionally, the residents can visit us. Graphius is open to questions from schools. Pupils and students can get to know an innovative SME in a fascinating sector. We tackle the negative perception there is about the printing industry through these visits. Care of people, environment and material is of great importance. Visits by pupils and students also open doors for us in the search for potential new employees. Given that strong aging in the sector is a fact, this is really very important.

As with the first sustainability report we have presented the draft version of this sustainability report to customers who have a special interest in sustainable business. Based on their valuable feedback we revised and refined the text.

In the 2014 sustainability report we reported that we would organise a stakeholder consultation in 2016 in the context of the 2015 sustainability report. We had to revise the schedule for publishing our sustainability report due to the timing of other projects. We are publishing the report more than a month earlier than initially foreseen. We lacked the time to organise the stakeholder meeting before the publication of our 2015 sustainability report. Nevertheless, we will still certainly schedule this consultation with our stakeholders in 2016 and give feedback on

it in our 2016 sustainability report. We believe that it is important to keep a finger on the pulse and set to work with the vision of our stakeholders on how Graphius can grow in sustainable business.

Graphius is a member of The Shift, The Belgian multi-stakeholder platform in which organisations, companies, self-employed entrepreneurs... are inspired and engaged in the transition process to a more sustainable society and economy. The Shift is a new organisation that was formed by the merger of Kauri and Business and Society. Through this stakeholder platform we committed actively to contribute to the United Nations Sustainable Development Goals, which were published in September 2015. Is that of interest to your organisation or company? Then visit www.theshift.be for more information.

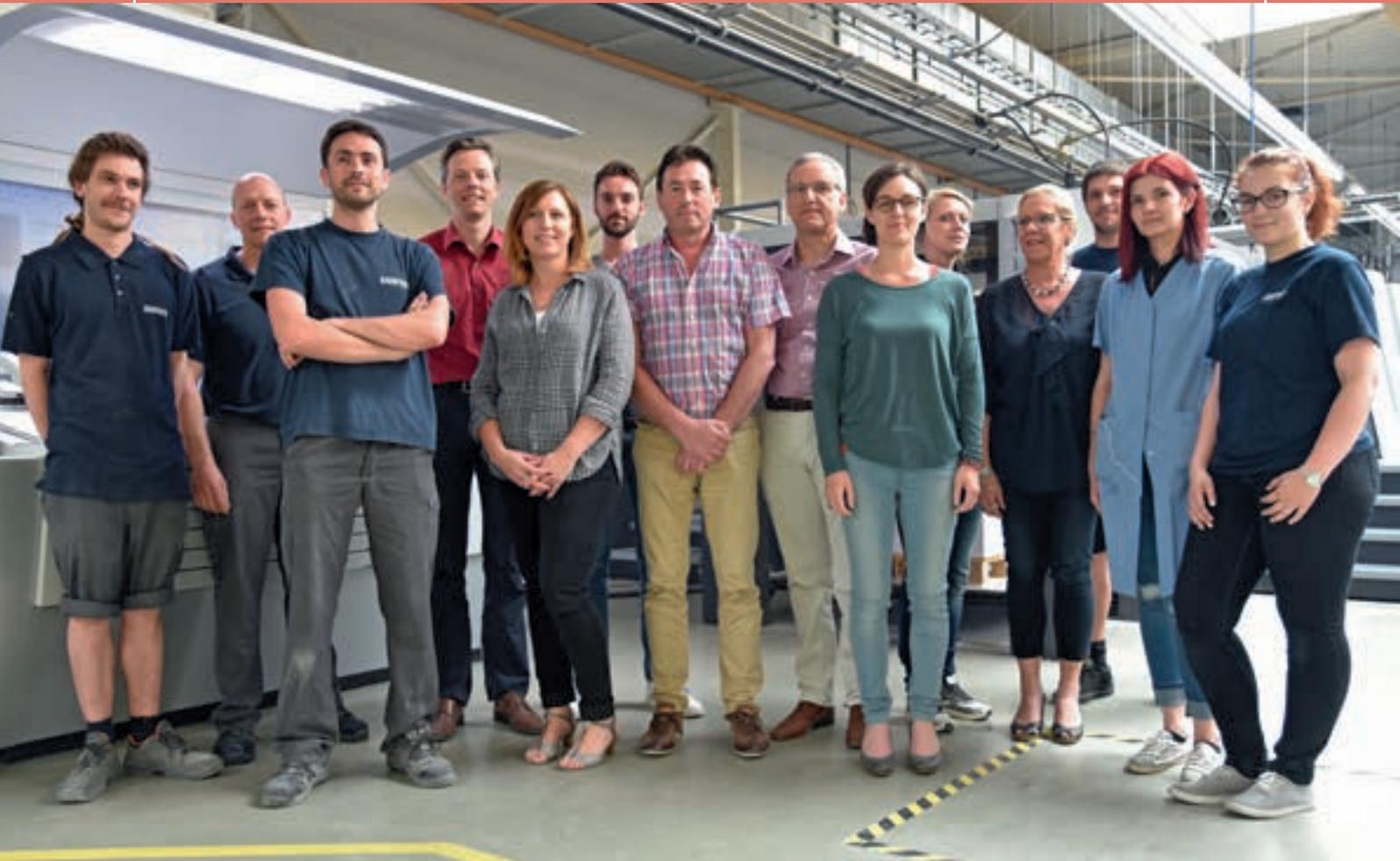


In France, Graphius is a member of the IMPRIM'VERT initiative. Companies in the www.imprimvert.fr network are aware of the impact their activity has on the environment and constantly work on actions to reduce these effects. For the French market, this confirms our commitment continuously to strive for a more sustainable printing process, within the possibilities available to us.





PEOPLE



Graphius continues its sustainable growth. In our first sustainability report we gave an insight into the impressive puzzle we have created. In fact, through the acquisitions and by bringing together companies at one site in Ghent, a new team was formed. At the same time, we expanded the business premises and invested in new technology.

The combination of so many changes at the same time was not always obvious. It is a known psychological phenomenon that only a small minority of people like change. For most people, however, it causes concern for the unknown.

Within a relatively short time the employees learned to work together in their new environment, with new colleagues. They bade farewell to some of the familiar corporate cultures and their distinctive spheres. From their proverbial nuclear family context, they moved into a larger family context. Everyone sought and found their place in this new story, even though it was not always easy.

Meanwhile we regularly welcome new faces. We are proud of it. Graphius employs around 200 people. On average there are also another 10 temporary members of staff working here and four interns are immersed in a thriving SME in the printing industry.

OUR EMPLOYEES

Over 2015 we recorded that at 31 December 189 people were on the Graphius payroll. In 2014 this was 196 employees. The 2014 sustainability report mentioned 213 employees, but that also included temporary employees. From now on, we have decided unequivocally to communicate

in the sustainability report on figures relating to employees with permanent contracts.

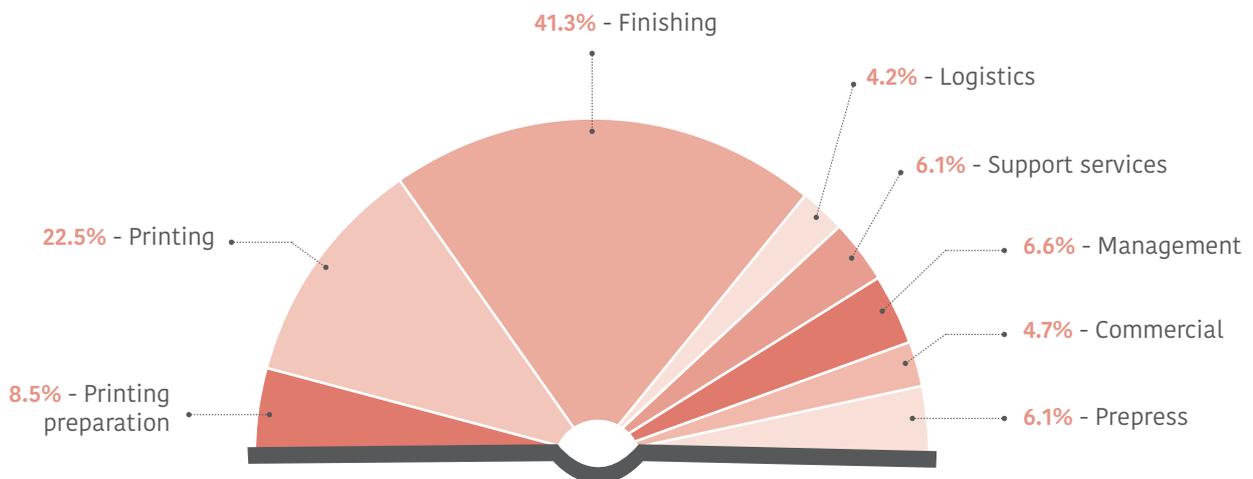
Graphius is a leading player in the printing industry with over 200 people actually working together at the site in Ghent.

All employees on the Graphius’ payroll fall under a collective labour agreement. They are scaled correctly when determining the pay package. Naturally we make no distinction here between men and women in the same positions.

Outsiders find it difficult to imagine the proportions of the various departments in a printing production company. The diagram below illustrates the types of departments present at our site in Ghent and also gives a graphic representation of these teams. The importance of the printing aspect becomes clear based on this diagram, but a large team is also crucial to finish the printing to make books, magazines, flyers, ... At Graphius there is employee representation at formal consultation meetings. The operational teams meet regularly. We have not yet mapped the timing between asking questions, taking decisions and communicating these.

We wanted to examine how employment at Graphius compared to that of “the industry”. We searched for information from the Flemish Government and have not found any more recent source material than the Industry snapshot drawn up by the Department of Work and Social Economy, in 2012. So the comparison is indicative.

EMPLOYEES



WOMEN AND MEN

Across all sectors the distribution of men and women was as follows in Flanders in 2010: 53.3% men and 46.7% women were employed as wage earners.

In the printing industry this picture looks rather different. Of the employees 74.7% are men and 25.3% women.

It is an open secret that the printing industry is a male dominated sector. 81.5% of our Graphius employees are men. This means that only 18.5% of our permanent employees are women.

THE AGE PYRAMID

On average across all sectors 9.2% of employees are under 25. The largest group 67.4% are between 25 and 49. 23.4% of employees are 50 or over.

Refinement to the sector shows that only 5.9% of employees – under an employment contract – are under 25, while 71.7% are represented by the 25-49 age group. 22.4% of employees in the printing industry are between 50 and 64 years old.

Nevertheless, we were surprised when we did this exercise last year while writing the first sustainability report. The printing industry is characterised as “greying” rather than “ageing”, but this is even more pronounced at Graphius.

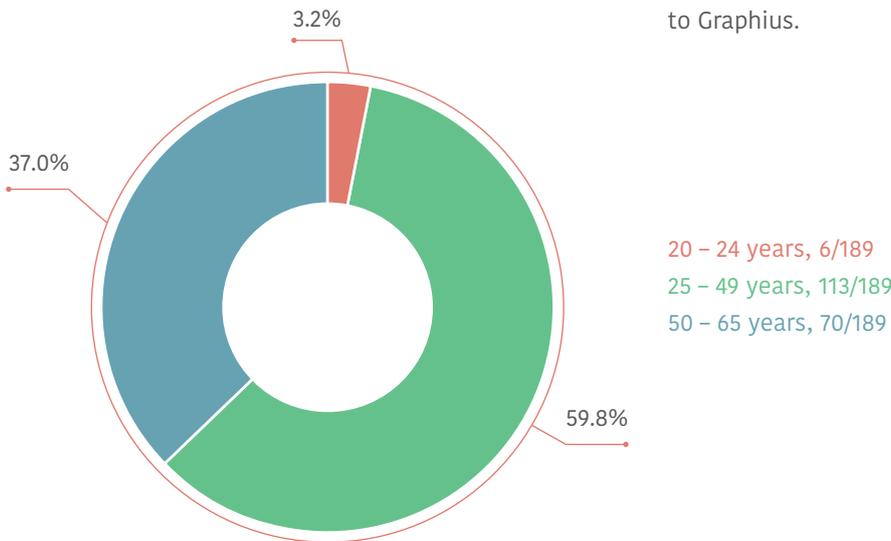
This taught us that we have to pay (greater) attention to how young people view our industry and our company. We should invite them to talk to us, to visit the company, ... We have to make time to answer their questions and also target them directly. They do not have a good impression of the industry and that is where we, a leading player and innovative SME, could possibly make the difference! Those following the messages on our website and Facebook page over recent months will undoubtedly have seen that we have accepted that challenge with great pleasure.

ACCIDENTS AT WORK AND ABSENCES

Over 2015 we recorded 11 accidents at work. There were 2 accidents more than in 2014. In 2014 the total number of absences for the whole team at the Ghent site was still 2,540 or 13 days on average per employee. There is a slight decrease in 2015 to 2,124 absences or 11 days of sick leave on average per year per employee. The absence of long-term absent employees has a major impact on the average figure and results in a distorted picture.

DIVERSITY POLICY

When we wrote our first sustainability report we noticed that only five employees had a non-Belgian identity. This greatly surprised us because there is much more diversity visible in the workplace. The figure is the same in 2015. We confirm that employees of other origin are mainly temporary employees. We have revised our job vacancies and the website, including our vision of diversity. We encourage minority groups in the employment market to apply to Graphius.





IF GRAPHIUS CAN BE CALLED
A SUCCESS THAT IS DUE TO
THE PEOPLE WHO WORK THERE.

EXAMPLE
job vacancy

INTERESTED IN WORKING FOR GRAPHIUS?

Graphius is a leading company on the European market for production of books, catalogues and magazines. By constantly innovating and vertically integrating, Graphius is able to consolidate its position and expand.

With over 200 employees and paper consumption of over 13,000 tonnes per year, Graphius is one of the largest sheet printers in Europe.

Diversity offers added value, also in the workplace. Graphius encourages people from ethnic-cultural minorities, inexperienced applicants and people with a disability to apply for our job vacancies.

In the context of further growth, we are searching for an:

BOOKBINDING MACHINE OPERATOR BOOKBINDING MACHINE ASSISTANT (FOLDING MACHINE / WIRE STITCHER / THREADLESS BINDING MACHINE)

Job description:

- You are responsible for operating the machine, the cost-effectiveness of the machine and the quality of the finished product.
- You are responsible for the maintenance of the machine.
- You report to the team leader.
- You work in a 2 or 3 shift system.

Profile:

- You have had printing or mechanical training.
- Your focus is on producing quality.
- You are sociable and prepared to work in a team.
- You are willing to work in a 3-shift system.
- Some work experience is an advantage but not a requirement.

Offer and advantages:

- You will be a part of a dynamic and growing family business in the Ghent region.
- You will be given full training in the printing industry.
- You will be given the opportunity to create beautiful products.
- You will receive a competitive salary, based on your skills and experience.

Interested?

Send your application letter with your CV to:

Graphius, Personnel Department, Eekhoutdriesstraat 67, 9041 Ghent.

Tel. +32 9 216 73 72

Email herman.verbeke@graphius.com

Have a look at
www.graphius.com
to find all our
job vacancies.

TRAINING

All new employees receive training at Graphius. They get information about how the company operates, what the expectations are, etc. Call it a “Start-to-Graphius”. The most important information has been summarised in our welcome brochure. Each year a few employees start with an IBO, this is an individual professional training in the workplace. We teach these employees skills that are not or no longer taught in school or we can redress an employee’s lack of this know-how.

Graphius offers employees training that is functional for the performance of their duties within their job.

A few examples: French training could be completed by colleagues who have to communicate fluently with our French-speaking stakeholders. Graphius is FSC certified. Learning or refreshing the information required is crucial for the correct monitoring of our purchases and sales of FSC paper.

Colleagues complete training for operating the film machine, the CTP installation, etc.

In our 2014 sustainability report one of our targets was to introduce performance appraisals. In the meantime, all the preparations have been made and the managers have sufficient knowledge to conduct these performance appraisals with employees. Until recently this was only for employees when it was needed to adjust the performance. The timetable has now been planned to do this for all employees in the summer and autumn. This calendar also determines the line for the planning of performance appraisals in the coming years. Those who have a performance appraisal in July, will have it in the summer of the following year as well. Those who discuss their performance with the manager in September, will only have to expect the following performance appraisal around September of 2017. The managers discuss the requirements and need for additional specific training programme(s) with their employees at the performance appraisals. This sets the outlines and there is a follow-up to these meetings. Ambitions can be detected and the path to growth of expert(s) more sharply focussed. This is also the right time for slightly older employees to assess the feasibility of their current position and possibly search for solutions.

Those who want to be up-to-date with the trends in the printing industry, will have DRUPA in capital letters in their diary. DRUPA is the four-yearly trade show for the printing industry and will again be organised in 2016 from 31 May to 10 June in Düsseldorf, with the “touch the future” theme. Graphius will again give employees the opportunity to find out about the newest trends at this trade show. We will provide a coach for DRUPA. Employees can talk to each other about what they have seen at the trade show. We also avoid everyone having to drive separately by car.



ACTIVE LEARNING AND LEARNING AT WORK

Some new employees start at Graphius with an IBO training. Not just adults are given the opportunity to gain work experience. Each year a few pupils and students complete an internship. We encourage young people to do this. The practical experience at Graphius supplements the knowledge and skills learned at school and gives them a more complete picture of what and how things work. They come to us to “learn”, but naturally also bring some baggage with them, sometimes even different or new insights. This “active learning” and “learning at work” is therefore both now and in the future, an

important channel to get to know people as potential employees. In the summer, we employ student workers to absorb the holidays taken by permanent employees. We give priority to the sons, daughters, sisters, brothers, etc. of Graphius employees. They already start with a bond with the company, get a good idea of the workplace where their relative works and get to know the ins and outs of an innovative SME.

We are exploring how dual learning could be given shape at Graphius and with which partners we could organise this.

GRAPHIUS IN/AND THE NEIGHBOURHOOD

Graphius has been on the border between Ghent and the Ghent port area for 88 years, a bond with Oostakker. People from the surrounding area have seen how Graphius grew ... even literally.

Due to the growth of the group of recent years, the turnover on the site increased fundamentally. In practice this naturally also means much more movement. Employees drive to and from work. Trucks come to deliver or collect printed matter that they will deliver to customers... Although Graphius thereby works in a cost-effective way, we are aware of the impact on local people and try to limit this. We built a structure around the press container for waste paper intended to reduce the noise pollution for local residents. From mid-June we will start using a new access road which is directly connected to the motorway. In that way we will relieve the neighbourhood of our heavy goods traffic. In the future we will also communicate differently and more with our neighbours, for instance through occasional visits on site and during our stakeholder consultations.

A NEW, AND YET KNOWN TEAM AT GRAPHIUS

Even with the latest technology and high-tech production equipment, there is still a lot of manual work to be done at Graphius. From installing reading ribbons to putting calendars together with printed sheets and the packaging counted stacks of paper with shrink film, ... It all has to be done with precision and the greatest possible care.

Sometimes there are peaks in the workload, which we have to absorb smoothly. Then we reinforce the team with temporary employees and/or involve the sheltered workshop Ryhove.

Graphius and Ryhove have been working together daily for years. We investigated whether a further stage of this collaboration would be possible in 2015, namely in-house employment at Graphius of a team from Ryhove. This is now the case and has been evaluated very positively.





A good idea or
wise advice?
Definitely let us
know!

THE WORLD IS WATCHING US ... AND WE ARE WATCHING THE WORLD

Graphius tells the world a positive story. An innovative family business grew into a major player on the Belgian and European market.

People are interested in what goes on behind the company walls and the next steps we will take. The sustainability report is a suitable medium for this. Our employees and our other stakeholder groups are a source of inspiration here.

For our sustainability story, we would here also particularly like to thank our customers who have “sustainability in their DNA”. They keep us alert and help us to update our knowledge. Some give us ideas on an environmental level. Others broaden our view to the South and inspire us to integrate their expertise in sustainable purchasing in our policy.



THE ENVIRONMENT

Graphius is investing heavily in new technology and in an environmentally friendly production process. Our cutting edge production equipment allows us to produce efficiently. This also has positive implications for the environment.

Our ambitions in sustainable business are considerable, but we have to balance them against the context of the printing industry, in which our high quality should not be at the expense of tight deadlines and low cost. Experimenting and assuming a pioneering role for instance in testing new technical tools, isn't always possible. The impact of testing may be significant on the production and that must not stop due to the commitments we have for our customers.

Nevertheless, stakeholders vigilantly watch printing firms including Graphius. To some a printing firm is synonymous with "pollution". We are aware that this is the prevailing view.

Graphius cannot produce printed matter without paper, ink and electricity consumption. We can show everyone that we handle materials circumspectly and ensure that as little material is lost as possible. We can assume a leading role here and like to do so.

OUR CUTTING EDGE PRODUCTION
EQUIPMENT ALLOWS US TO PRODUCE
MORE EFFICIENTLY, WITH A POSITIVE
IMPACT ON THE ENVIRONMENT.

SEE THE FOREST FOR THE TREES

Graphius is a major consumer of paper. Last year we bought 13,580 tonnes of paper. Paper wholesalers and paper mills delivered this paper to our site in Ghent.

The first sustainability report and the response to it confirm that a proliferation of environmental and sustainability labels do not make it easy for consumers and purchasers to make choices.

This second sustainability report will be printed with a print run of 8,500 in Dutch, English and French and will be available digitally from our website. Because we want to support our stakeholders, we will include the information on sustainability labels from the first report.

What is the meaning exactly behind each label? What does it tell us about the composition of a product or its origin? Or perhaps about both? Does the label give us information about the social conditions and fair trade? ...

FSC AS SUSTAINABILITY LABEL AT GRAPHIUS

Graphius is FSC certified. FSC, Forest Stewardship Council, is a label that refers to sustainably managed forests. "Sustainable management" stands for environmentally friendly, socially responsible and economically viable forest management. For more information about this label please refer to the website www.fsc-uk.org. The origin of paper with this label can be traced. From tree to printed sheet, ... That is a long road with many intermediaries, a chain in which each link in that chain has the FSC-label. An end product with an FSC label is therefore the result of a long journey that started in an FSC-certified forest. There is an annual audit which investigates whether we store the paper in the correct manner, administratively process paper purchases correctly, our invoicing is in order, etc. A similar process takes place with PEFC, The Programme for the Endorsement of Forest Certification. Graphius is not PEFC certified. There is no explicit demand from our customers for PEFC certified paper. These labels, FSC and PEFC, can often be found on wooden fences in gardens, planters, furniture, etc. that comes from sustainably managed forests.

A TIP

To be able to see the forest for the trees of sustainability labels, we would recommend consulting the website www.labelinfo.be. It is an initiative of Netwerk Bewust Verbruiken vzw. We can go there for information about sustainability labels that are relevant for purchasing clothing, cleaning products, booking holidays, ... and also for buying paper.

If we report in this sustainability report on paper purchased by us and sustainable paper, we only process purchases of paper with the FSC and PEFC labels. We do not mention the PEFC-label on our invoices. We have used the data provided to us by the respective paper suppliers for the collection and analysis of the data on paper purchases. They were not all able to provide figures for paper for instance with the Nordic Swan or Der Blaue Engel labels. For that reason, we chose exclusively to process purchases with an FSC-label and PEFC label.

The principle is that these labels refer to the paper's origin. However, more information can also be extracted from the code they have:



FSC 100% label: The product, in this case paper, is entirely produced from wood or fibre from an FSC certified forest.

FSC Mix label: The word “mix” indicates that this paper is not 100% from FSC certified forests. This label tells us that the product is at least 70% from FSC certified forests. This is combined with recycled material and/or fibres or wood from FSC Controlled Woods.

FSC RECYCLED has in turn the benefit of clarity. The product consists entirely of recycled fibres, of which at least 85% “post-consumer” or recycled fibres.

THE PURCHASES WITH
AN FSC AND PEFC
LABEL TOGETHER
CONSTITUTE 42.62 %
OF THE TOTAL PAPER
PURCHASES.

We have evaluated our purchasing data against this information.

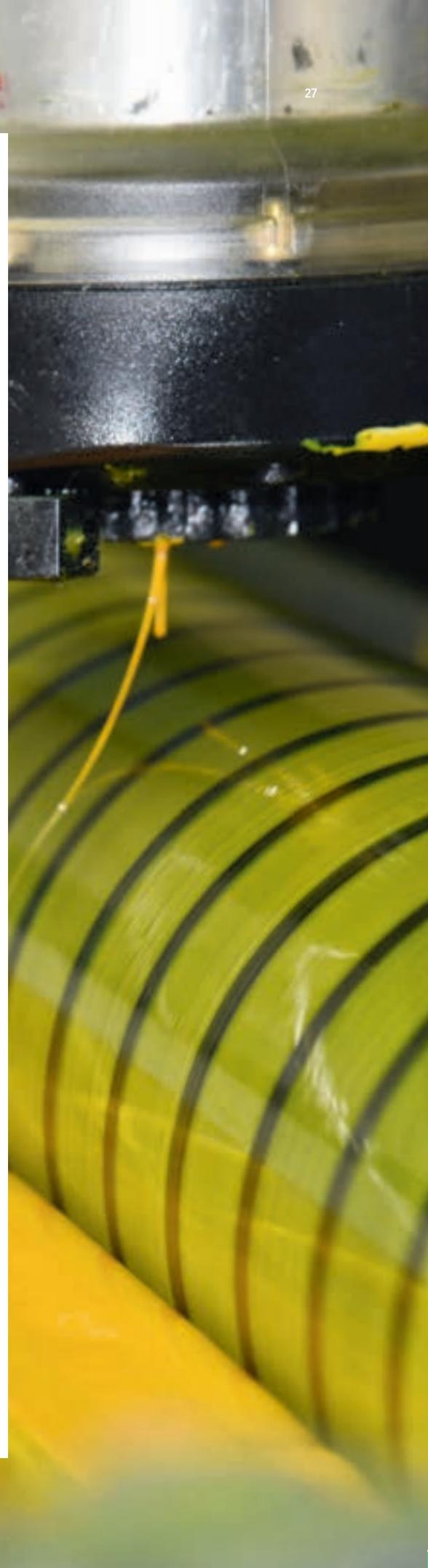
Last year, Graphius purchased 13,580 tonnes of paper. We bought 4,541 tonnes of FSC certified paper and 1,246 tonnes of paper with the PEFC-label. The purchases with an FSC and PEFC label together constitute 42.62% of the total paper purchases. In 2014 this percentage was 43.09%. Paper from both new and recycled fibres are included in this percentage.

INKS AND CONSUMABLES

Graphius is a sheet-fed offset printing firm. However, we are also equipped to print digitally. Our team goes through orders received and checks whether these orders would best be printed in offset or digitally. A minority of the orders are processed digitally. We do not work with ink for this digital printing but with toners. After use – as with the other forms of waste at Graphius – they are collected by a specialised collection company.

If we have the choice, we use “vegetable based” inks. In 2014 we bought 95 tonnes of vegetable-oil based ink. In 2015 this was 110 tonnes. Not all inks are available based on vegetable oil. For instance, it is not possible for metallic inks such as silver and gold and for fluorescent inks. So in this instance “all that glitters” is definitely not gold. We purchased 135 kg of metallic inks and 114 kg fluorescent inks in 2015. This is a big difference compared to the previous year, a positive development. However, we must also mention here that we cannot (usually) intervene on the concept of printed matter, because we receive print-ready files. If these include a few projects in gold or fluorescent pink, this proportion will be higher.

We have a system on the presses that automatically measures the colours and the register and adjusts the colours when required during production. This has a positive impact in terms of economy and environment because we can limit both the number of proofs and consumption of ink and supporting products.



ENERGY

Recommendations were made based on the results of the **energy audit** by the City of Ghent and Emaze from 2013 and action points developed. These still provide a guiding framework to us.

Graphius purchases **green electricity**. In 2014 we consumed 5,127.185 kWh with a maximum capacity of 1,235 kW. For 2015 the consumption was 5,284.797 kWh with maximum capacity of 1,215 kW. In 2014 we also purchased 26,208 litres of fuel oil, but in 2015 we were able to reduce this through our efforts to only 15,280 litres!

Graphius has a complete **inventory of cooling and heating resources** available and meets the legal provisions in this respect. In addition to the **centralisation of compressed air** the **vacuum and blowing air** was also **centralised**. Now, for the first time, we can see the profound but positive impact on the purchase and consumption of energy. As a result of this action we have reduced our electricity consumption from 180 kW to a maximum 30kW, which is a remarkable difference. Now two centralised pumps operate on average, that are also equipped with frequency control or soft starters. This installation has **extraction to outside in the summer**. In the winter we **recover the hot air** – as we do with the compressed air – to heat the production halls. In the winter we use the compressor exhaust as heating.

In 2016 we will examine in a study how we could optimise the heating of the offices and bindery. These spaces are currently still heated with fuel oil. These adjustments will require heavy investment. Therefore, a detailed preliminary study is crucial.



WATER AND IPA

WATER

We catch rainwater for sanitary use but use mains water for the production printed matter. The 2014 report showed that we purchased 4,562 m³ of water. However, in 2015 this is 3,737 m³, mainly due to raising awareness of the water consumption of the CTP. Water is an essential factor in the printing process at Graphius. Offset plates are rinsed in the preparation. The number of offset plates is expressed in this context in m², a measurement that everyone can imagine. In 2015 we used 240,658 m² offset plates, an area comparable to 35 average football pitches. In addition, “offset printing” is a process in which the interplay of water and ink is put on paper. Fountain solution allows the good transfer of ink. Mains water is adapted so that it can be used in the printing process.

IPA

The solution has additives. One of these is isopropyl alcohol or IPA, that has a number of advantages. Isopropyl alcohol causes a reduction in the surface

tension in the fountain solution. As a result, less water is needed and a more efficient balance can be achieved in the ink-water balance. IPA cleans, degreases and disinfects the pipes. However, there are also significant disadvantages associated with the use of isopropyl alcohol. In general, you can say that it has a high risk of fire and explosion due to the low flashpoint. More importantly for employees and the working environment at Graphius, IPA evaporates quickly and ends up in the environment. Employees who inhale high concentrations can have health problems. We try to limit the impact of isopropyl alcohol on employees insofar as possible through ventilation of the production area.

Graphius has experience with alcohol-free printing because one printing press was set up alcohol-free. Our ambition is to print alcohol-free on the other printing presses but this is not financially feasible at the moment. Despite our ambitions and conviction of the added value of printing without IPA, we have to choose IPA reducing printing in the interests of the financial health of Graphius. On average we add 5% isopropyl alcohol.



LOGISTICS & TRANSPORT

The printing industry is very familiar with performing under time pressure. The lead time for an order is sometimes extremely short, which can occasionally be a tough challenge for the professionals.

Graphius delivers the printed matter with its own trucks and vans but we also use, e.g. Post.be, TNT and couriers. Our own trucks meet the Eco 5-standard.

We try to combine our transport routes and work with group shipments. We thereby reduce the number of journeys and limit our CO₂-footprint. This also has a favourable impact on our budget.

Graphius' trucks and vans are equipped with a track & trace system for reasons of mobility, planning and budget. A track & trace system records data on consumption, time per journey, ... and allows us to monitor the processes closely. It would also be a great pity that an order is produced in record time but arrives late at its destination due to road works or traffic jams.

RECEIPT AND MONITORING SUPPLIES

Our suppliers deliver our orders on weekdays: from paper to consumables, packaging materials to maintenance products for the premises. Employees compare the delivery notes with the order forms and subsequently with the invoicing. Monitoring purchasing and consumption takes place in a professional and conscientious manner. Potential problems can be rectified quickly in this way and future purchases can be refined proactively.

COMMUTING

We purchased 115,464 litres of diesel and 7,367 litres of petrol for transport of cars and trucks. This is an increase compared to the figures from 2014, but is in line with the evolution of our turnover.

Graphius is well placed to organise transport and logistics by road. The company's location is less favourable for employees who do not live locally and who want to use public transport. For employees who work in a shift system, public transport is almost an impossible option because it is no longer or not yet available when the colleagues leave for work or return home.

One of our goals for this second sustainability report, was to report on commuting traffic in a more refined way. We have added the mileage covered by motorbike or moped to those covered by cars. 1,585,620 km were travelled in commuting by car, moped or motorbike. 24 colleagues travelled 34,960 km from and to work by bike. One colleague travels by bike half the time and by car the rest and covered 11,040 km in that way. One member of staff travels 3,220 of the commute by bus and another 25,760 km by train.

Our ambition is to encourage sustainable commuting. In 2016 we want to examine how we could do this and how we should tackle this precisely. We can contact the Provincial Mobility Point of the Province of East Flanders for this.

OUR AMBITION IS TO
ENCOURAGE SUSTAINABLE
COMMUTING.

WASTE

Graphius purchases a lot of material but also extensively sorts its waste. Sorting is then followed by selective waste collection. For instance, the aluminium offset plates used during the printing process are collected by a specialised company and are given a new life after processing. Some types of packaging can be reused, e.g. cardboard boxes. All waste flows are clearly identified and monitored. Detailed data are also available and can be discussed easily upon request with colleagues.

CO₂-NEUTRAL PRINTING AND MORE

In the first sustainability report we could illustrate our story with fantastic images of the travels of the polar explorer Dixie Dansercoer. The inspirational photos were beautiful to see and showed us the beauty of nature. However, they also made us think about ourselves and the choices we make now and the implications they have for the future.

In the ideal world, Graphius would achieve entirely CO₂-neutral production. An alternative is compensating for CO₂-emissions. However, Graphius is financially unable to bear the compensation for the entire Graphius Group, without passing this charge on to its customers.

We do offer our customers the option to produce each order CO₂-neutral. We state this on all our tenders but how little demand there is continues to surprise us.

We see the same phenomenon with so-called “bio-foil”. We use “bio-plastics” when we personalise magazines, send mailings, etc. This bio-foil is made from starch and is biodegradable. However, it can also be incinerated along with the residual waste. This allows energy to be recovered. We try to convince our customers to opt for this bio-foil but (at least currently) there is little willingness to pay a premium for this.

GRI - G4 GENERAL STANDARD DISCLOSURES

STRATEGY AND ANALYSIS			
G4-1	Statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	complete	2, 3
G4-2	Description of important consequences, risks and possibilities	complete	2, 3, 5, 17, 24
ORGANIZATIONAL PROFILE			
G4-3	The name of the organization.	complete	5
G4-4	The primary brands, products, and services.	complete	5, 12, 13
G4-5	The location of the organization's headquarters.	complete	5
G4-6	Number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	complete	5
G4-7	The nature of ownership and legal form.	partly	7
G4-8	The markets served	complete	5
G4-9	The scale of the organization	complete	7
G4-10	Employees	complete	16 t.e.m. 23
G4-11	The percentage of total employees covered by collective bargaining agreements		100%
G4-12	The organization's supply chain	complete	7
G4-13	Significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain	complete	5
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization	complete	2, 3, 24
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	complete	15
G4-16	Memberships of associations and national or international advocacy organizations in which the organization holds a position on the governance body or participates in projects or committees	N/A	
MATERIAL ASPECTS AND BOUNDARIES			
G4-17	Operational structure and scope of the report	complete	5
G4-18	The process for defining the report how the organization has implemented the Reporting Principles for Defining Report Content.	complete	7
G4-19	The material Aspects identified in the process for defining report content.	complete	7
G4-20	The Aspect Boundary within the organization	complete	7
G4-21	The Aspect Boundary outside the organization	partly	7
G4-22	The effect of any restatements of information provided in previous reports, and the reasons for such restatements	complete	17
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	N/A	
STAKEHOLDER ENGAGEMENT			
G4-24	List of stakeholder groups engaged by the organization	complete	14
G4-25	The basis for identification and selection of stakeholders with whom to engage	complete	14, 15
G4-26	The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group	complete	15
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting	complete	14, 15
REPORT PROFILE			
G4-28	Reporting period	complete	7
G4-29	Date of most recent previous report	complete	7
G4-30	Reporting cycle	complete	7
G4-31	The contact point for questions regarding the report or its contents.	complete	35
G4-32	Core/Comprehensive	complete	7
G4-33	The organization's policy and current practice with regard to seeking external assurance for the report	complete	7
GOVERNANCE			
G4-34	The governance structure of the organization, including committees of the highest governance body	partly	7
ETHICS AND INTEGRITY			
G4-56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	complete	6

GRI - SPECIFIC STANDARD DISCLOSURES

ECONOMIC			
G4 DMA		partly	7
G4 EC 1	The direct economic value generated and distributed	partly	7
G4 EC 4	The total monetary value of financial assistance received by the organization from governments during the reporting period	none	
G4 EC 9	The percentage of the procurement budget used for significant locations of operation spent on suppliers local to that operation	not discussed	
MILIEU			
Energy			
G4 EN 1	The total weight or volume of materials	partly	26 t.e.m. 29
G4 EN 2	The percentage of recycled input materials	partly	26
G4 EN 3	Total fuel consumption from (non-)renewable sources and energy consumption	complete	28
G4 EN 6	The amount of reductions in energy consumption achieved	complete	28
Water			
G4 EN 8	The total volume of water withdrawn from Surface water and ground water	complete	29
G4 EN 10	The total volume of water recycled and reused by the organization	partly	29
Emissions			
G4 EN 15	Direct greenhouse gas (GHG) emissions (Scope 1)	partly	30, 31
G4 EN 21	NOX, SOX, and other significant air emissions	partly	29
Waste water and waste flows			
G4 EN 23	Total weight of hazardous and non-hazardous waste	partly	31
G4 EN 25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII,...	partly	31
G4 EN 28	Percentage of products sold and their packaging materials that are reclaimed by category	partly	31
G4 EN 29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	no sanctions	
Transport			
G4 EN 30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	complete	30
G4 EN 31	Total environmental protection expenditures and investments	partly	27, 30, 31
G4 EN 33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	not discussed	
SOCIAL: WORK CIRCUMSTANCES AND DECENT WORK			
Employment			
G4 LA 1	Total number and rates of new employee hires and employee turnover by age group, gender and region	partly	17, 18
G4 LA 4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	partly	17
G4 LA 6	Injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities	partly	18
Training and education			
G4 LA 9	Average hours of training per year per employee by gender, and by employee category	partly	21
G4 LA 10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	partly	18, 21
G4 LA 11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	complete	21
Diversity and equal opportunity			
G4 LA 12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	complete	7, 17, 18
G4 LA 13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	complete	18
SOCIAL: LOCAL COMMUNITIES			
G4 SO 1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	complete	29, 30
G4 SO 2	Operations with significant actual and potential negative impacts on local communities	none	
SOCIAL: COMPLIANCE			
G4 SO 8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	partly	26, 27
PRODUCT AND SERVICE LABELING			
GV PR 3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	partly	26, 27



GOALS AND AMBITIONS

We have set ourselves the target to work from 2016 according to the mutually complementary standards ISO 9001 (quality management system) and ISO 14001 (environmental management system). Through an environmental management system according to ISO 14001 we will identify the environmental risks at Graphius and attempt to reduce them. In the meantime, we have already achieved the target of obtaining the ISO 9001 and ISO 14001 certificates.

OUR ENVIRONMENTAL AND SOCIAL ACTION POINTS FOR 2016

- Obtaining ISO 14001 certificate
- Obtaining ISO 9001 certificate
- Reducing paper waste by 6%
- Reducing energy consumption and increasing efficiency
- Researching alternative fuel tank
- Calculating CO₂ footprint
- Investigate possibilities for sustainable commuting
- Raising awareness of bio-foil
- Raising awareness of CO₂-neutral printing
- Sustainable purchasing policy and strengthening customer relations
- Involvement of employees in CSR-strategy
- Performance appraisals with employees
- Encourage balanced lifestyle
- Anchoring with neighbourhood
- Stakeholder consultation
- Dual learning
- In-house cooperation with Ryhove
- Adjustment to heating of offices and bindery
- Renewal of compressed air installations + heat recovery
- Report on waste in the 2016 sustainability report

KEY

- achieved
- in progress
- planned

IMPRINT:

Members of Graphius Group:

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De Duurzame Drukker, Deckers Snoeck, Boone-Roosens and Etiglia.

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Cover printed with vegetable based bio-inks on Cocoon 250g paper.
Interior printed with vegetable based bio-inks on Cocoon 140g paper.
Sent under starch-based biodegradable foil.



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