

HIGH-QUALITY, SUSTAINABLE PRODUCTS AND SERVICES

The Datwyler Group stands for more than just its products. Across all parts of the business, the focus is on constantly improving the processes. The resulting expertise, which is growing all the time, is passed on to customers accordingly.

Top-quality standards and reliability represent significant success factors which clients really value in terms of their collaboration with Datwyler. This is also reflected in the corporate value of 'We excel in what we do'. The companies within the Datwyler Group are continuously investing in even better materials and process technologies, production equipment and testing methods.

Quality assurance through standardised processes

Corporate processes are based on the new production system at the Sealing Solutions division (see below) and the internationally recognised quality assurance systems. For example, all plants making products for the automotive industry are certified in accordance with ISO/TS 16949. The health care plants, with the exception of the US plant in Pennsauken, have ISO 15378 certification (Primary packaging materials for medicinal products). Automatic camera inspections and state-of-the-art clean room technologies, among other things, ensure impeccable quality for the billion plus components per year for the automotive industry and the 17 billion plus components for the health care industry. During development, certification and production, particular attention is paid to assessing the impact of all products on the health and safety of users. Standardised processes and specifications in line with industry standards, such as safety data sheets, are used in the procurement of new materials and substances. Again in the 2017 reporting year, the Datwyler Group did not record any incidents where provisions or voluntary rules of conduct relating to

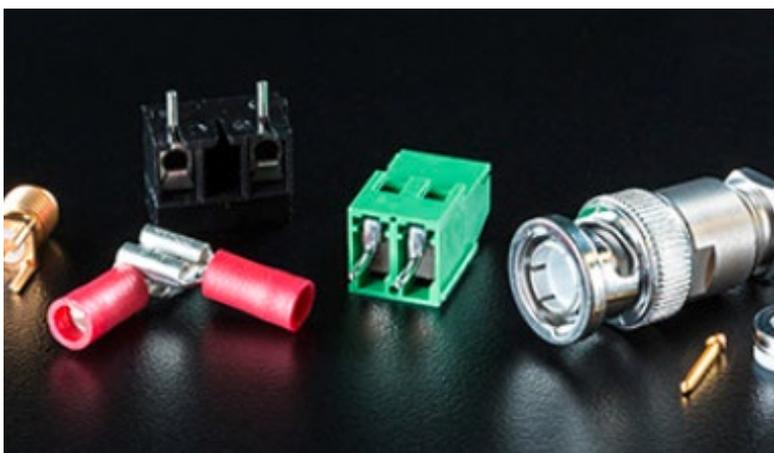
the impact of products and services on the health and safety of users were not complied with.

Statutory information obligations as minimum standards

Almost all Datwyler Group products are subject to statutory information obligations in the countries where they are used. Swiss and EU chemicals legislation and the EU REACH and RoHS regulations regarding the physical composition of products are of particular relevance. Laws and standards demand transparency regarding physical composition and also prohibit the use of certain materials. REACH (EU Regulation 1907/2006) governs the registration, assessment and approval of chemical substances within the European Union. REACH is important to both Datwyler divisions. RoHS (EC Directive 2002/95/EC) prohibits certain substances in the manufacture and processing of electrical and electronic devices and components. At Datwyler, RoHS is relevant to the Technical Components division. Datwyler high-service distributors are responsible for ensuring imported products comply

with national laws and standards – while the range of over 250'000 products keeps changing and growing. They do this by issuing specifications and safety data sheets to suppliers and through product inspections. With Teco Asia, Datwyler has a procurement organisation – based in the Chinese city of Shenzhen – with around 35 of its own specialist employees. The Datwyler Sealing Solutions division satisfies the relevant statutory provisions and standards regarding the physical composition of products and transparency in the coun-

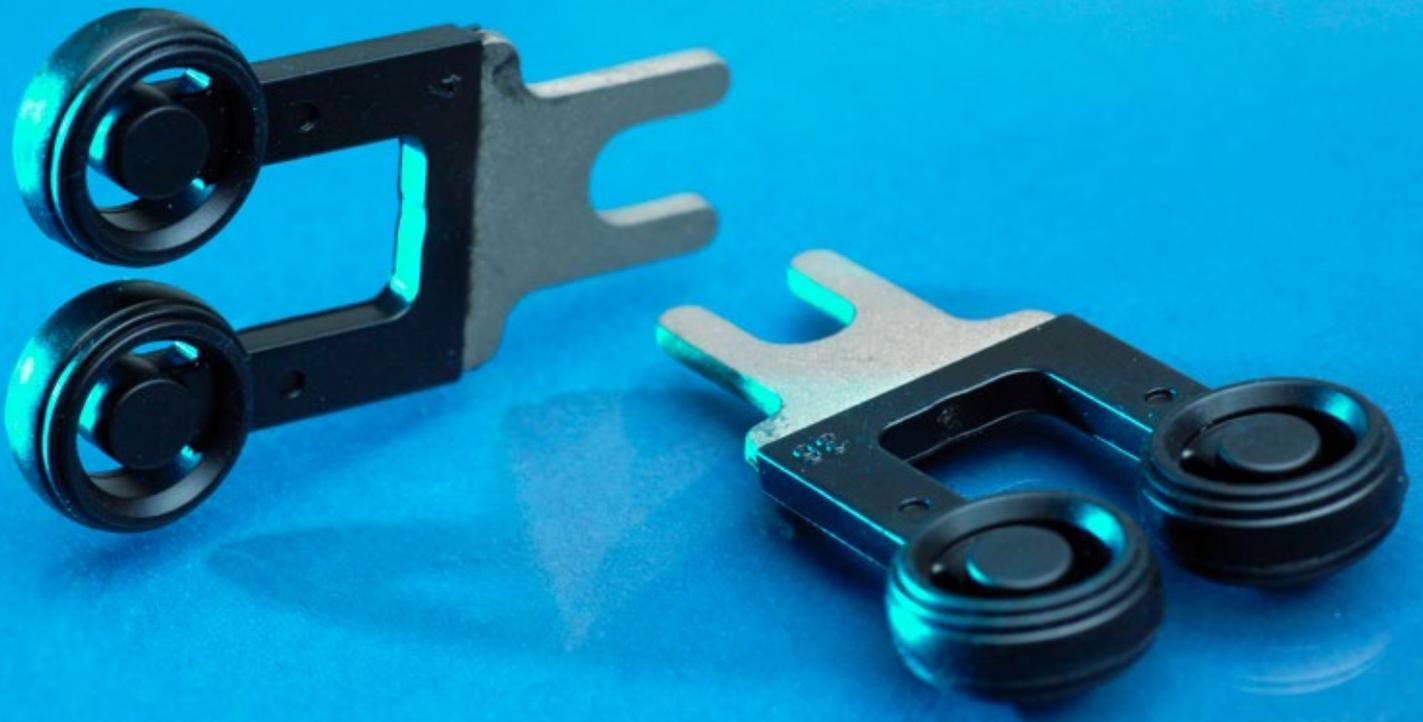
17 billion
components a year for the health care industry.



Datwyler's distributors offer 250'000 electronic components.

KEY POINTS IN BRIEF

- **Corporate** processes are based on the internationally recognised quality assurance systems and the new production system at the Sealing Solutions division.
- **Thanks** to standardised processes and safety data sheets, Datwyler ensures its products comply with national laws and standards.
- **Datwyler** picked up nine awards for top quality and innovation during the 2017 reporting year.
- **Objectives:** Datwyler will be looking to promote 'Ecodesign' at the Sealing Solutions division and optimise packaging materials at the Technical Components division.



Several system-critical elastomer components from Datwyler are used in SCR catalytic converters in diesel vehicles for the treatment of exhaust gases.

tries it serves by having standardised processes for the selection of raw materials and using safety data sheets for all products. Line functions involved in procurement and production are supported by a global quality assurance function with 18 employees and by a local team for each plant.

Datwyler production system for ensuring competitiveness

With a view to ensuring the business is competitive and equipped to cope with the increasing speed with which the requirements of global supply chains change, Datwyler started to introduce an integrated production system early in 2017. This is being used to develop uniform production processes for all plants in every continent. As a shared, long-term programme for continuous improvement, the Datwyler production system offers a framework for achieving operational excellence. For Datwyler, the quest for operational excellence means a safe workplace, no quality issues, deliveries on time, waste-free processes, environmental protection, and satisfied and empowered employees.

A vision of integrated product development

With a view to picking up on trends in technology and ensuring the business remains innovative, Datwyler also works with higher education institutions, international standardisation committees and independent testing bodies. And in future, Datwyler is keen to place more emphasis on 'Ecodesign' when developing products. This is particularly true of the Sealing Solutions division and includes developing environmentally friendly elastomer compounds, optimising design to save on materials, reducing process-related waste and using reusable or recyclable packaging and boxes. Currently, the types of pallets and boxes still varies significantly according to the industry

of the customers. For example, while up to 50 % of pallets and boxes used for deliveries to automotive customers are already used several times, the figure for the health care sector remains below 10%. It is also important to point out that non-reusable pallets and boxes are made of materials that customers can fully recycle (wood, cardboard, plastic). At the Technical Components division, Datwyler has identified the packaging of electronic components for delivery to customers as one of the core aspects of sustainability. Given that some components are very small and that more than 11'000 packages are sent every day, there is still significant room for improvement in this area.

11'000
packages a day containing
electronic components.



Awards for top quality and innovation

Datwyler picked up nine awards for top quality and innovation during the 2017 reporting year. Stihl, the worldwide leading manufacturer of chainsaws and electrical tools for use outdoors, has named Datwyler 'Supplier of the Year' for the fifth time in a row. The assessment criteria for this award are based on outstanding performance in terms of quality, technology, innovation, service and value for money. Thanks to its worldwide presence through its own production facilities, Datwyler supplies Stihl plants all over the world with high-quality sealing components. Datwyler's Korean plant has been recognised by GE Korea for 'Supplier quality excellence'. Meanwhile, the Chinese Datwyler plant for automotive components in Ningguo has received a total of seven awards for leading quality and reliable collaboration. The customers are Wuhu Bethel Automotive, Chassis Brakes International, JABF, Sorl, CBI and Mando.