



**HSM**<sup>®</sup>

Great Products, Great People.

**Corporate Sustainability  
Report HSM GmbH + Co. KG**

2023

[www.hsm.eu](http://www.hsm.eu)



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Together with the HSM Code of Conduct and the HSM Mission Statement, HSM GmbH + Co. KG's sustainability report is the basis for the way the company conducts its business.

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## First, you need an Idea

Herrmann Schwelling, the founder of HSM, had an idea about reducing the volume of waste material by compacting it - and then returning this new reusable material to the production cycle. So he started to develop and manufacture baling presses.

Sustainability has therefore been our core business since the company was founded in 1971 and it still runs through the company's veins. As a family company managed by the owners, a solid financial base and long-term thinking are an integral part of who we are.

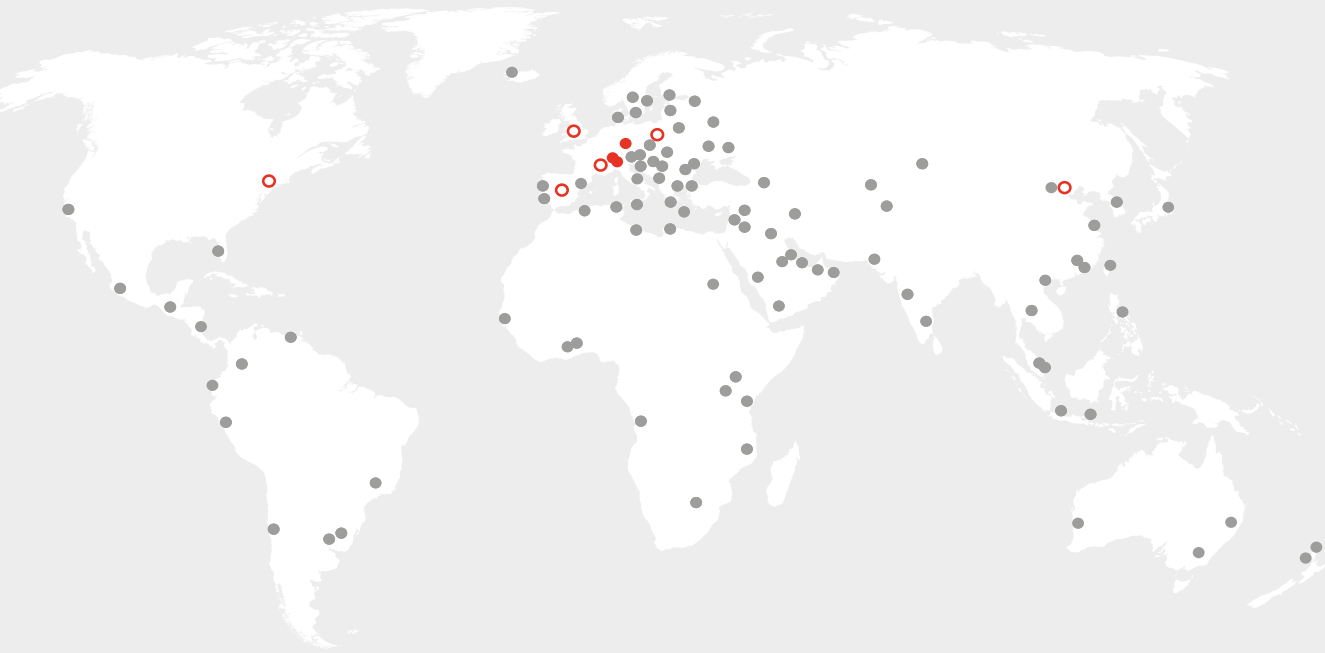
## We take Responsibility – for People, Nature and for the Environment. Today and for the Future.

That is why we strive to support people and to preserve valuable materials for the environment. HSM is synonymous with "Made in Germany" quality and known for its long-lasting products which, even today, are energy-efficient. This philosophy is at the core of our resource management and of our company processes.

Motivated, well trained and content employees are one of our most important resources. In addition to flat hierarchies and our family-like corporate structure, we offer our employees a comprehensive range of attractive benefits.

We are also committed to making a financial contribution to a range of social projects.





- Head office and production sites in Germany
- Subsidiaries
- Sales and service points

## From Salem out into the Wide World

The initials HSM stand for “Hermann Schwelling Maschinenbau” (mechanical engineering), after the founder, owner and CEO of the company. The small company which started out in a cellar workshop in Salem near Lake Constance has grown over the last 50 years into a successful, globally active, medium-sized enterprise.

HSM currently employs about 900 staff worldwide and has subsidiaries in France, Poland, Spain, China, Great Britain and the US. In addition, there are over 100 service points and co-operation agreements on all continents.

Production is exclusively in Germany at the three sites in Salem, Reichenbach and Frickingen, where the company headquarters are located.



Privately owned company



approx. 900 employees worldwide





## Sustainability out of Conviction

At all HSM company sites, we avoid using resources and generating greenhouse gas emissions as much as possible and reduce these where we can by using renewable energy sources.

About 6,200 m<sup>2</sup> of the company area are heated using heat recovered from the production. We also use the exhaust heat for our compressors.

We generate about 25 % of our power requirement ourselves with the help of a photo-voltaic system and micro gas turbines. The gas turbine is similar to a thermal power station with higher exhaust gas temperatures. We generate approximately 100 kW per hour for our own use. The powder-coating system is heated using the exhaust gases which have a temperature of 270 °C (heating capacity of 330 kW). Unused energy is transferred to a 30,000 litre buffer and then used to heat additional offices and assembly areas.

The energy requirement for artificial daylight is reduced by using strip lighting in the production hall. Daylight and movement sensors help to save electricity if natural light is not available.

Our parking spaces are either not concreted over or are equipped with Aquadrain® so that rain water can flow into the ground water.

Even our website is CO<sub>2</sub> neutral. We have joined the initiative "CO<sub>2</sub> neutral website" which calculates the monthly CO<sub>2</sub> emissions from the number of visitors to a website and invests this sum in climate and environmental projects throughout the world.

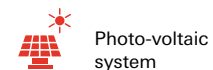


Photo-voltaic system



Use of heat recovery

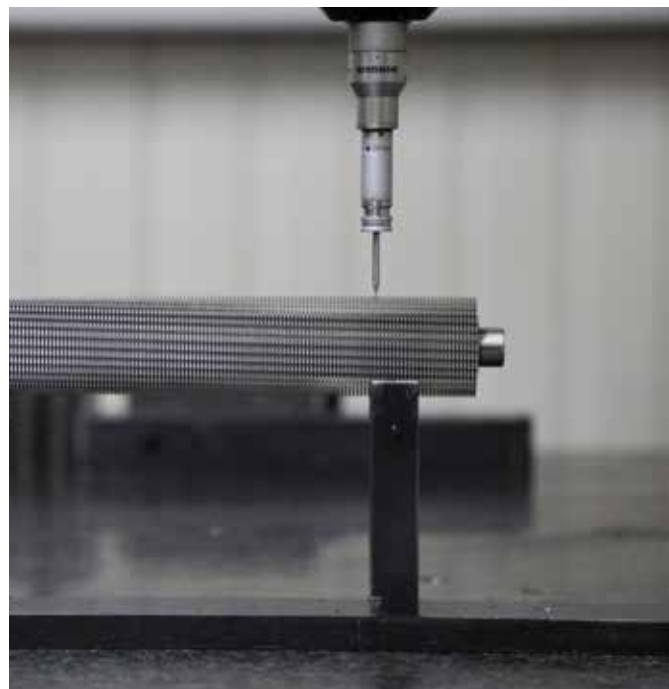


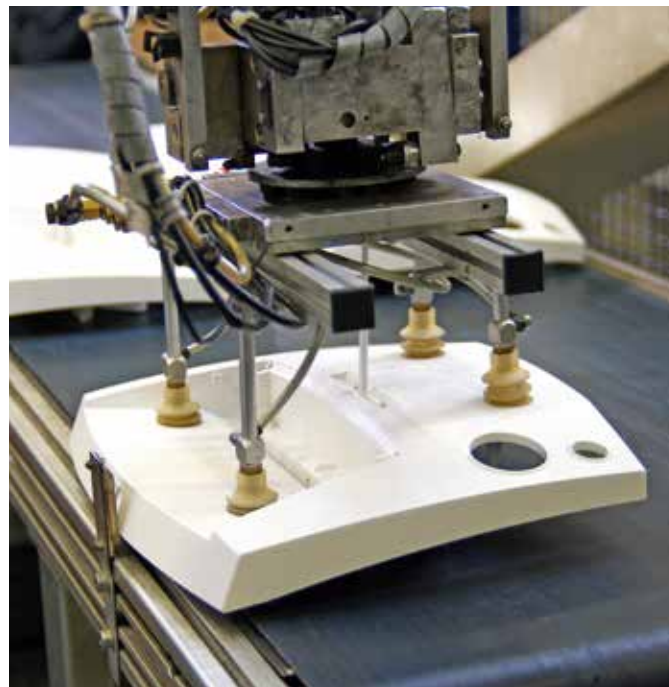
## Made in Germany

HSM is active in a wide range of sectors – from environmental technology to office technology. In these markets, we aim to have products which are perfect for every investment idea, are the solution to every problem and the answer to every performance requirement. Our customers always get more than they expect, which is why we are one of the leading suppliers worldwide in our markets.

HSM focusses on Germany as a production location and high-quality products “Made in Germany”, which users associate with innovation, precision and durability.

Since we manufacture our products ourselves, we can guarantee first class quality. The large vertical manufacturing depth of about 90 % is characteristic of HSM and has decisive advantages. It means we can manage our own production reliably, flexibly and independently. Additionally, it also allows us to control where our goods come from, their quality and which raw materials they contain.





## Great Products

HSM products enable raw materials to be safeguarded, therefore permitting sustainable trading in many branches. This is why we manufacture in an environmentally friendly way as much as we can and continuously take the environment into consideration in our processes:



Not using any composite materials guarantees 100% of the products can be recycled



Recycling of metal production waste and regranulation of plastics



Use of low-solvent varnishes



Use of photovoltaics to generate electricity for production



Use of only environmentally compatible, recyclable auxiliary and operating materials



70 % of our grinding oil is returned to the manufacturing process after the grinding residue is pressed out



Coolants are circulated back to the production systems



Transportation packaging and secondary packaging are made of recyclable materials



Use of heat recovery in production



Short transportation routes due to production in Germany

We participate in WEEE, RoHS and REACH. Our Reichenbach site is certified according to ISO DIN 14001:2015.



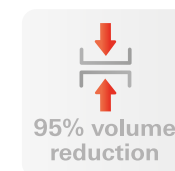


## Environmental Technology

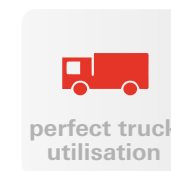
Mountains of waste are a disposal problem for any company – but HSM can solve this. However much waste and whatever it is made of, HSM has the right baling press to handle it. The HSM baling presses achieve a sorted compression of up to 95 % of the material volume which saves expensive storage space. The reusable material can be recycled for profit. The dimensions and weights of the bales from the HSM baling presses are designed to enable an optimum truck load. And the less empty space being transported means higher cost efficiency and more benefit to the environment.

In the construction and assembly of our presses, we focus on a responsible use of resources. HSM presses retain their value for a particularly long time and are extremely energy efficient to operate. The V-press vertical baler range has a low electricity consumption due to its specially developed rapid stroke technology. In the fully automatic baling press range, frequency regulated drives are used which can save up to 40 % electricity in comparison with standard drives.

If one of our customers decides to buy a new baling press, we will take the old machine back and, where possible after reconditioning, will put the machine back on the market as a used machine. If this is not possible, we will dispose of the components in the correct way or recycle them.



95% volume reduction



perfect truck utilisation



energy efficient





## Recycling Plastics

Approximately 500 billion PET bottles are produced worldwide on an annual basis. For the production of 1kg of new PET bottles, 1.9 kg of oil is required. These figures show just how important it is to return the used bottles back into the recycling process. Since PET can be recycled 100 %, PET in the recycling loop is an important material in the production of PET bottles, fibres for textile manufacturing, foils, strapping bands and even furniture.

HSM has been rising to this challenge for many years and uses all its environmental know-how to develop customized solutions for effective PET recycling.

The comprehensive product portfolio includes:

- HSM machines to empty PET
- HSM PET perforators
- HSM PET crusher-press combination
- HSM baling presses specifically designed for PET
- Briquetting presses for the fully automatic compaction of PET bottles



PET Recycling loop



Reduction in the use of oil



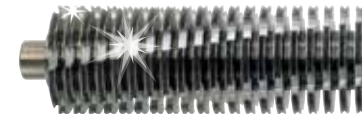
## Office Technology

We can also offer document shredders to suit any budget, solve any problem and meet any performance requirement. Our wide product range makes us a sought after partner for data protection in the home office and for all professional applications in large offices and archives.

Personal data and confidential documents can be destroyed easily, securely and in compliance with the GDPR using our document shredders. The machines in our range can destroy data not only on paper but also on other data media such as CDs, credit cards, hard drives or even whole ring-binders and shred these, making their contents unreadable.

Robust solid steel cutting rollers are our core competence in the document shredders. Using state-of-the-art manufacturing processes, we produce these cutting rollers to such a high quality that we provide a life-time guarantee on their function\*. They are even resistant to metal pieces such as paper clips and staples.

Our document shredders need electricity, but only when they are actually shredding. If they are not needed, they switch automatically to stand-by mode or even turn off and then use less than 0.1 W or no electricity at all. Most of the HSM SECURIO document shredders have received the Blue Angel award for this reason.



\*Lifetime guarantee HSM SECURIO and Pure document shredders in security levels P-2 to P-5.



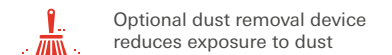
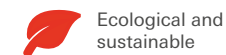
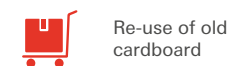
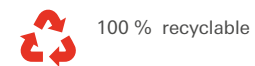
## Recycle and save

The robust HSM cutting rollers do not only shred paper. The HSM Profipack packaging material machine is an example of a product solution, developed particularly with sustainability in mind.

With this ingenious solution for all shipping and storage areas, old or used cardboard is bolstered up thereby creating universally applicable packaging material.

This saves money and supports the environment. Packaging and filler materials are often made of plastic and other synthetics. They are manufactured for one-off use as packaging material and then thrown away. With the HSM Profipack, old cardboard can be re-used. The cardboard packaging material can be used universally and, if no longer needed, is 100 % recyclable. It provides optimal protection for items – as a packaging mat, as wrapping or as filling material.

We enable our customers to deal with raw materials in an environmentally responsible way in their warehouse and shipping areas and help reduce the amount of plastic and synthetic materials produced.





## Great People

Quality and trust are the basis for our relationships with our customers, partners and suppliers and are requirements for the success of the company.

The only reason we can ensure both of these things is thanks to our motivated, well trained and content employees. HSM does its best to ensure that this does not change.

## Equality

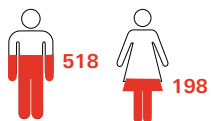
We encourage and practise personal responsibility, respect and tolerance. Mutual trust, loyalty and an open and honest communication form the basis on which we work together. Thanks to our flat hierarchies and fast decision-making, we are very flexible and therefore always have the possibility for continuous development.

Equality is a matter of course in our daily work. Our human resource decisions are made independently of sex, age, culture, origin or religion. Our salary structure is based solely on task, scope, responsibility and performance.

Our employees participate in the company's success with special payments. This encourages every member of staff to be committed to the company.

We have been working for over 30 years with a range of institutions which support people with disabilities and those who need help.

We offer our employees flexible and individual working time models. We take both personal and company requirements into account in equal measures and maintain a family- friendly culture in the company.



Total of male/female employees



Number of male employees in part-time and fulltime jobs



Number of female employees in part-time and fulltime jobs





## Health and Check-Ups

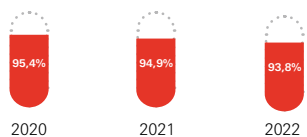
We work on giving our employees a lasting improvement to their quality of life, since performance increases with a good work-life balance.

Our in-house canteen provides a variety of meals each day. Fresh local fruit and filtered water are available to the employees free of charge.

Naturally, we also ensure health and safety at the work place in accordance with national regulations. Employees who work in potentially hazardous areas are trained on a regular basis. Permanent company codes of conduct also ensure the safety of our employees. Our modern machine park includes resources for lifting and carrying heavy loads to reduce the amount of physical strain.

HSM works closely with a company doctor and with health groups. We offer a variety of programmes with regular check-ups and sport as preventative measures.

### Health statistics



Health statistics =  $\frac{\text{standard working days} - \text{days lost to illness}}{\text{standard working days}}$



Health management



Free filtered water and fruit



## Growth needs a next Generation

We profit from our own “home-grown” talent and give young people the chance to start their careers.

At HSM, about 10 % of the workforce are trainees, who are being prepared for their working life. Additionally, HSM has been cooperating for over 20 years with the Baden-Württemberg State University of Cooperative Education (DHBW) and trains students who are taking a wide range of sandwich degree courses.

HSM can train apprentices or provide sandwich courses in more than 15 technical and commercial professions.

To date, HSM has trained 470 people and many of these are still working in the company today. About 80 % of the trainees stay with HSM after their training or degree is completed.

We take part in the Girls- and Boys-Day and regularly offer work practice opportunities to schools and students. Working together with many regional schools gives young people the opportunity via work practice or company tours to get a glimpse of their approaching professional life and it gives HSM the chance that they return as apprentices or students.



80 % of the trainees stay at HSM



476 trainees to date



## Be and remain a leading Supplier

Our workforce is one of the most important resources we have. Continuous further development and enthusiasm for change enable us to handle all challenges we are faced with. HSM places a high value on the training and further training of its employees.

The HSM Academy has been a constant feature of HSM for over 20 years. The regular training courses given by the academy cover a wide range of subjects:

- Product information and training courses
- Language courses
- Specialist courses, for instance incoterms or customs procedures
- IT and software courses
- Courses on health and improvement of work-life-balance

In cooperation with external training institutes, HSM supports its employees who are doing master craftsman classes and other qualifications.



Language courses



Master craftsman classes and other qualifications



## Great Partner

Our customers and partners are the focus of our attention. We are their active partner and our cooperation is characterized by solidarity, reliability and inter-cultural respect.

We are in continuous dialogue with our customers to ensure they are satisfied. Every two years we also send out a questionnaire on customer satisfaction. The results give us a basis for the further development of and improvements to our processes and products.

In international sales, we are focussed on long-term partnerships. Some of our partners have been working with us for decades. To motivate and show our appreciation of our international partners, every year we present an HSM award for particularly noteworthy results in sales, business development and marketing activities.

When selecting our suppliers we also emphasize quality and sustainability. We therefore check the products and suppliers on the following aspects:

- Conditions (prices, delivery and payment conditions)
- Quality (number of complaints, certifications and audits)
- Supplier reliability (quantity and schedule reliability)
- Working conditions
- Environmental and social aspects

In line with our “Made in Germany” philosophy and to keep delivery routes short and CO<sub>2</sub> emissions down, we prefer to award contracts to regional suppliers and service providers.



HSM Award



Customer satisfaction





## Social Responsibility

Good local relationships and social commitment are high on HSM's list of priorities. This is why the company has made a name for itself as a committed and generous corporate sponsor by sponsoring local clubs such as TC Salem, SV Deggenhauserthal and SC Pfullendorf. The home venue for the state league team SpVgg F.A.L is called the "HSM Sports Centre on the Aubach". We also support good causes which are not on the football pitch – other associations and charities which we support financially are:

- Aktion Deutschland Hilft
- Doctors without Borders
- SOS-Childrens' Villages International
- Kinderstiftung (children's foundation) Bodensee



Regional sponsoring



Support for charities





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