

RESPONSIBLE EMPLOYER 

Measures	Status	Goal
Health & safety 3		
Uniform global definition of accidents and uniform reporting	⊗	2018
Expansion of PALfit	∅	2019
Global health initiative	○	2019
Employee development 4 8		
Coaching for executives	●	2018
Expansion of employee development	∅	2020
Learning strategy	○	2022
Global leadership framework & programme	○	2020
Attractive employment 4 5 8		
Establishment of employer branding strategy	∅	2019
Personnel marketing	◐	2019
On-boarding process	∅	2019
HR strategy	◐	2020
HR system	◐	2020
Job architecture	◐	2019
Corporate culture & values 8		
Focus on corporate culture and vision	●	2018
Organizational structure	○	2019
Diversity & equal opportunity 5 10		
PALiversity project "Recruiting"	⊗	2018
PALiversity project "Working Conditions"	∅	2020
PALiversity project "Talent Management"	⊗	2018
Diversity scheme	◐	2022
Communication with employees 10		
New intranet	∅	2019
Communication strategy and concept	○	2019

SUSTAINABLE PRODUCTS 

Measures	Status	Goal
Product safety		
Product data tracking for safety	○	2020
Product research & development 9 13		
R&D process	○	2020
Training of R&D employees	○	2020
Product lifecycle 12		
Lifecycle approach	●	2018
Lifecycle app	○	2019
Business model innovation (TCO)	○	2020
Environmentally friendly products 12 13		
Low impact product definition	○	2020
CO ₂ emissions in product use	○	2019
PALfluid	○	2020
Product information & fair marketing		
Review of dealer standards	●	2018
Operator's guides and training	●	2018
End customers in the system	◐	2020

○ New ◐ In preparation ● Completed ∅ Deferred ⊗ Cancelled

ECO-EFFICIENCY IN PRODUCTION 

Measures	Status	Goal
Innovation in production 9 13		
R&D process	○	2020
Energy efficiency & climate protection 13		
Paint shops and powder coating plants	●	2018
Modernization and expansion of plants	●	2018
Greenfield investments marine business	⊗	2018
Energy efficiency Russia	◐	2019
E-mobility	●	2018
Exchange on environmental topics	∅	2019
Photovoltaic systems	◐	2020
Heating degree days	●	2018
Climate strategy	○	2019
Renewable energy	○	2022
Raw material demand & efficiency 12		
Steel supplier evaluation	○	2019
Waste cuttings rate	○	2019
Effluents & wastes 12		
Reduction of hazardous waste	◐	2019
Environmentally friendly transport		
CO ₂ emissions in transport	○	2019

FAIR BUSINESS 

Measures	Status	Goal
Viability of the business model 8 9		
Marine business as second mainstay	⊗	2018
GLOBAL PALFINGER ORGANIZATION	○	2022
Compliance with legal & ethical standards 5 8 10 16		
Training in corporate ethics for new employees	●	2018
Corporate audit	●	2018
Compliance training	○	2020
Compliance risk analysis	○	2020
Human rights assessment	○	2019
Code of Conduct review	○	2020
Data protection	○	2019
Industry 4.0 & digitalization 9		
PALFINGER 21st	◐	2019
Overall performance		
PALdrive platform	○	2020

SUSTAINABILITY MANAGEMENT 

Measures	Status	Goal
Group conference for environmental and health officers	●	2018
Targeted stakeholder communication	∅	2019
Sustainable Development Goals and Science Based Targets	●	2018
Sustainability vision	◐	2019
Facility management	●	2018
Concept for health, safety, quality and environment	○	2020
Merchandising fan shop	○	2020

Priorities:



3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION
















16 PEACE, JUSTICE AND STRONG INSTITUTIONS



SUSTAINABILITY PROGRAMME




The following table lists all the individual measures that form PALFINGER's sustainability programme, broken down by the four sustainability areas identified by PALFINGER. It provides an overview of the current status of implementation as well as the time horizon for these measures. The purpose of these measures is to contribute to achieving the qualitative and quantitative goals set by PALFINGER and to support the five most relevant SDGs.



○ New ● In preparation ● Completed ⌚ Deferred ⊗ Cancelled







RESPONSIBLE EMPLOYER		Status	Goal
Health and safety			
PALFINGER has set itself the goal of lowering staff absences due to industrial accidents to under 0.11 per cent starting in 2016.			
Uniform global definition of accidents and uniform reporting	In 2018, a new measure was launched to develop an HSQE concept. Included in this concept, a uniform global definition of accidents and absence periods is being determined. Therefore, the existing measure has been integrated into the new measure "Concept for health, safety, quality and environment". Data reviews continued in 2018 in order to evaluate national standards.	⊗	2018
Expansion of PALfit	The occupational health management PALfit was expanded into several countries, e.g. Croatia and China. In Germany, the project has been deferred for the time being due to restructuring measures. In the future, PALfit is to be established at additional sites.	⌚	2019
Global health initiative	An assessment of existing health initiatives at all PALFINGER locations was conducted. These data are being analysed and will contribute to determining minimum standards for global health initiatives. This will be part of the HSQE concept.	○	2019
Employee development	 		
Coaching for executives	In 2018, coaching programmes for executives were continued and a continuous approach was developed.	●	2018
Expansion of employee development	The idea of the PALFINGER College is being integrated into the new HR system and therefore represents a global learning platform. The transition will start in 2019.	⌚	2020
Learning strategy	PALFINGER started to create a new Learning Strategy 2022. The basis of this strategy is the definition of job competencies with respect to the job architecture project.	○	2022
Global leadership framework & programme	PALFINGER started to create a global leadership programme, as well as an area leadership programme. The basis of these programmes is also the definition of a framework for global leadership initiatives.	○	2020
Attractive employment	  		
PALFINGER has set itself the goal of lowering employee turnover to under 10 per cent starting in 2016.			
Establishment of an employer branding strategy	A group-wide employer branding strategy will be established in 2019. One of the objectives of this strategy is to enhance PALFINGER's attractiveness as an employer at all corporate locations worldwide. Individual initiatives took place in 2018 in order to enhance employer identity.	⌚	2019
Personnel marketing	PALFINGER uses additional new media for HR marketing purposes in order to actively promote its attractiveness as an employer. In this connection, a project for a group-wide recruiting platform will be launched with the new HR system in 2019.	●	2019
On-boarding process	In the future, additional initiatives are to be carried out to enhance the integration of new staff members. The on-boarding process is also part of the new HR system.	⌚	2019
HR strategy	In 2017, PALFINGER defined a new HR Strategy 2020 and HR goals. In the future, HR processes will be aligned to it. As a basis, job competencies were defined in 2018. In the course of the year, the implementation of the HR system was also started.	●	2020
HR system	In 2019, PALFINGER will start with the go-live of the new HR system. Part of this process is the finalization of the job architecture. The system, which will be implemented in the next two years, covers topics such as master data, talent management, recruiting, training and communication.	●	2020
Job architecture	As part of the HR strategy, PALFINGER started the project of a job architecture. The architecture was defined in 2018. Further processes will follow.	●	2019

RESPONSIBLE EMPLOYER		Status	Goal
Corporate culture and values 			
Focus on corporate culture and vision	The further development of PALFINGER's corporate culture is intended to help to increase transparency. In 2018, priority was given primarily to globally communicating the vision of PALFINGER.	●	2018
Organizational structure	In 2018, PALFINGER adapted its organizational structure in order to better serve the new vision. This change needs to be implemented throughout the Company. To this end, appropriate change management will be necessary in 2019.	○	2019
Diversity and equal opportunity  			
Two quantitative goals to be achieved by 2022 were defined under the diversity scheme: to raise the percentage of non-Austrians working at headquarters to 20 per cent, and to increase the percentage of women in top management positions until it corresponds to the percentage of women in the overall headcount of the Group.			
PALversity project "Recruiting"	A recruiting tool is part of the new HR system. This topic is already included in the measure "Personnel marketing".	⊗	2018
PALversity project "Working Conditions"	PALFINGER acts as an "Employer of Choice" at the individual sites and takes adequate employee-friendly measures with the objective of employing the best staff. The creation of an HSQE concept provides for uniform standards in terms of health and safety of workers.	⊗	2020
PALversity project "Talent Management"	The aim of the project is to generate group-wide awareness for talent management. It is part of defining job competencies and implementing a learning strategy.	⊗	2018
Diversity scheme	In consideration of the new Austrian legislation on non-financial reporting, PALFINGER is establishing a diversity scheme. Its implementation and the development of further measures were begun in 2018.	◐	2022
Communication with employees 			
New intranet	In order to further improve internal communications, the existing intranet is to be replaced by a modern tool for specific subjects. This is part of the new HR system. The project is currently on hold until the new measure of a communication concept is finished.	⊗	2019
Communication strategy and concept	PALFINGER is starting to work on a strategy and a concept for internal as well as external communication. Internal and external platforms are hereby being considered, revised and implemented.	○	2019
ECO-EFFICIENCY IN PRODUCTION		Status	Goal
Innovation in production  			
R&D process	Currently, the research and development process is being redefined and sustainability criteria are being included in the production innovation process. In this context, the impact on the environment and society is being considered.	○	2020
Energy efficiency and climate protection 			
PALFINGER has set itself the goal of improving energy efficiency by 1.8 percentage points every year starting in 2014. In the reporting period, the additional long-term goal of achieving a 30 per cent reduction in the energy index by 2030 was defined. The goal of achieving a 25 per cent CO ₂ reduction by 2030 (base year 2015), which was defined in 2017, will not be affected by the new goal. In addition, a new goal to be met by 2022 was defined in 2018: 75 per cent of the Group's electricity is to be generated from renewable energy sources.			
Paint shops and powder coating plants	Existing paint shops and powder coating lines in EMEA are being optimized or replaced by new lines. New paint shops and powder coating lines started to operate in 2018. This measure continues in the future as a continuous improvement process.	●	2018
Modernization and expansion of plants	Austrian, Bulgarian and Russian sites were modernized and expanded in the past year. This measure is being continued as an ongoing improvement process.	●	2018
Greenfield investments marine business	The option of greenfield investments is being reviewed in the course of the integration of the Harding sites. These sites are then to be equipped with the best possible energy balance and renewable energy sources. Due to the ongoing restructuring in the marine business, this measure has been cancelled for the time being.	⊗	2018
Energy efficiency Russia	The optimization of the Russian plants in regard to energy efficiency is being reviewed. In 2017, the transition from coal to natural gas was accomplished at the site of Velikiye Luki. Especially the implementation of heating degree days will give further insights into efficiency topics starting in 2019.	◐	2019
E-mobility	The use of e-mobility at PALFINGER sites is being promoted. The charging infrastructure for electric vehicle mobility is available at eight locations, which accounts for 22 per cent of all group locations.	●	2018

ECO-EFFICIENCY IN PRODUCTION		Status	Goal
Exchange on environmental topics	PALFINGER organizes exchange meetings with local environmental officers. The topics relate to environmental aspects such as energy, waste, water, etc. Due to the focus on organizational changes and strategic targets, this measure has been deferred until 2019.	⊖	2019
Photovoltaic systems	Analyses regarding extensive installations of photovoltaic systems at sites in the business area EMEA are taking place. First systems are being installed in Austria.	◐	2020
Heating degree days	Heating degree days have been considered in the calculation of the energy index for 2018 (normalized to the year 2017). Further improvements will be implemented in 2019, also considering the dependency of revenue and consumption.	●	2018
Climate strategy	Creation of a PALFINGER climate strategy by identifying the biggest potentials of CO ₂ savings, considering direct and indirect emissions in the whole value creation chain (including Scope 3). The CO ₂ reduction target will support the global goal to stop global warming and will be based on the Science Based Target initiative.	○	2019
Renewable energy	A systematic inquiry will be initiated to check the group-wide potential of renewable energy at production sites. In 2017, the percentage of renewable electricity compared to the Group's total electricity consumption was 29 per cent. Raising the percentage of renewable electricity to 75 per cent by 2022 is a feasible goal.	○	2022
Raw material demand and efficiency			
Steel supplier evaluation	PALFINGER is evaluating the major steel suppliers regarding their CO ₂ footprint and targets in order to intensify cooperation to derive more accurate Scope 3 CO ₂ emissions data. This supports the new climate strategy.	○	2019
Waste cuttings rate	The KPI of metal waste cuttings rate will be re-designed. This ensures a better differentiation of various processes and the possibility of consolidating the KPI at a group level.	○	2019
Effluents and wastes			
PALFINGER has set itself the goal of reducing hazardous waste (index) by 1.8 percentage points every year starting in 2014. In the reporting period, the additional long-term goal of achieving a 30 per cent reduction of hazardous waste (index) by 2030 was defined.			
Reduction of hazardous waste	PALFINGER identified Lazuri as the plant generating the largest quantities of hazardous waste and is developing solutions in order to reduce this waste.	◐	2019
Environmentally friendly transport			
CO ₂ emissions in transport	Transport within and outside the company is analysed in order to identify leverage in terms of possibilities for the reduction of energy consumption and CO ₂ emissions.	○	2019

SUSTAINABLE PRODUCTS		Status	Goal
Product safety			
Product data tracking for safety	Utilization of product data through digitalization: automatic recording of near-miss situations, which acts as data basis for new product developments and safety improvements.	○	2020
Product research and development	 		
R&D process	Currently, the research and development process is being redefined and sustainability criteria are being included in the product innovation process. Thereby, the impact on the environment and society is being considered.	○	2020
Training of R&D employees	On the basis of the new R&D innovation process, a training concept for R&D employees regarding environmental aspects and consequences of products and processes is being implemented. This contributes to awareness raising and the incorporation of environmental and social aspects within the R&D process.	○	2020
Product lifecycle			
Lifecycle approach	The project of lifecycle costs assessment was started in 2017. In this project, the lifecycle costs of PALFINGER products, in particular loader cranes, were monitored and analysed. The project ended in 2018 and is now continued in the new measure of an app development.	●	2018
Lifecycle app	The project of lifecycle costs assessment was finished in 2018. It is being continued in the development of an app. This app is able to determine which lifecycle costs are relevant to a PALFINGER product while it is in use. While presenting the benefits of a product to an end customer, dealers are also able to show the environmental impacts of the product via the app.	○	2019

SUSTAINABLE PRODUCTS		Status	Goal
Business model innovation (TCO)	A product lifecycle analysis is being carried out in order to determine the total cost of ownership (TCO) for PALFINGER products, also with respect to the circular economy approach.	○	2020
Environmentally friendly products	 		
Low impact product definition	On the basis of a hot-spot analysis, minimum environmental criteria (e.g. CO ₂ emissions, safety aspects, extended lifecycle, end-of-life recyclability) are being defined for negative-impact products at PALFINGER. These criteria are allocated to targets that need to be met by each product line.	○	2020
CO ₂ emissions in product use	The energy consumption during the use of a PALFINGER product is significantly higher than in its production. Therefore, a concept for appropriate measures, as well as KPIs, are being analysed in order to address the reduction of CO ₂ emissions in the use phase of the product.	○	2019
PALfluid	PALFINGER offers branded lubricants including hydraulic oil to its customers. This includes an oil monitoring programme that contains frequent oil-quality measurements, so that an annual oil change is not necessarily required. This approach is both economically interesting for the customer and especially environmentally friendly.	○	2020
Product information and fair marketing			
Review of dealer standards	The purpose of the review of international dealer standards was to support the safe use of the products and to enhance product quality and longevity. The evaluation process is being continuously expanded to other regions and product groups. In the future, compliance with dealer standards will be supported by relevant training courses.	●	2018
Operator's guides and training	PALFINGER reviewed the operator's guide for loader cranes. In this context, a new template was generated and is being rolled out to other product groups. Additionally, PALFINGER offers hand-over guidelines and, if needed, operator training for all products in order to better ensure proper handovers in the future.	●	2018
End customers in the system	PALFINGER has started to enter end customers into the corporate system to ensure better business partner management. Networking between the customer and PALFINGER fosters a sustainable business relation.	◐	2020

FAIR BUSINESS		Status	Goal
Viability of the business model	 		
Marine business as second mainstay	PALFINGER's marine business was originally established as a second mainstay. Under the new GPO, the strategic focus on the marine business is being consolidated into the organizational structure of PALFINGER and no longer separately developed as a second mainstay.	⊗	2018
GLOBAL PALFINGER ORGANIZATION	The new GLOBAL PALFINGER ORGANIZATION (GPO) aims at facilitating and accelerating efficiency gains. The GPO places emphasis on flexible and global team structures and intensified cooperation across business units as well as product segments and regions. Work on the GPO started in September 2018; its implementation started at the beginning of 2019.	○	2022
Compliance with legal and ethical standards	   		
Training in corporate ethics for new employees	A training concept was developed and can be found in detail in the new measure "Compliance training". Corporate ethics is part of these training measures.	●	2018
Corporate audit	The further development of the corporate audit approach was evaluated and adjusted in 2018. Moreover, the headcount was increased and will be further increased in accordance with the audit approach in the future.	●	2018
Compliance training	PALFINGER developed an online training concept in regard to compliance training and assessments. The plan is to implement on-site training measures as well as e-learning with a wide set of topics on a regular schedule. Online training courses on the topics of cyber risk and data protection were given in 2018. The Code of Conduct is in the focus of next year's training measures.	○	2020
Compliance risk analysis	PALFINGER's department of "Corporate Risk Management, Internal Audit & Compliance" has started to conduct a compliance risk analysis. Sustainability topics are being given special consideration. Austria was the first country to be analysed; further countries are to follow.	○	2020
Human rights assessment	PALFINGER is starting a human rights (risk) assessment of its sites in order to exclude any potential risks. Further measures will follow after the initial analysis. The possibility for applying globally recognized audit standards is also being evaluated.	○	2019
Code of Conduct review	PALFINGER is reviewing its Code of Conduct to determine whether adjustment to current international business standards is necessary.	○	2020
Data protection	PALFINGER takes the matter of data protection very seriously and implemented a group guideline and organized mandatory training for PALFINGER employees concerning this matter. A group data protection officer is implementing further processes, e.g. face to face training, in order to guarantee compliance.	○	2019

FAIR BUSINESS		Status	Goal
Industry 4.0 and digitalization			
PALFINGER 21st	In 2017, PALFINGER created a new vision with a new business model called PALFINGER 21st. First discussions and projects were started in 2018 in order to consider sustainability topics in this model in future. An Innovation Lab with a focus on sustainability is planned for 2019.	●	2019
Overall performance			
PALdrive platform	PALdrive is an online platform that offers a variety of new vehicles, second-hand equipment, demo and training trucks of different models and performance categories. Since 2018, the platform has been available in a responsive design. The platform will be expanded to different regions and product models.	○	2020

SUSTAINABILITY MANAGEMENT		Status	Goal
Group conference for environmental and health officers	In 2017, all local officers for the environment were invited to take part in a webinar series concerning a wide range of environmental topics. Plans were made to expand this series to health and safety topics in 2018. A new measure to create an HSQE concept is being implemented; it includes a communication strategy, with a special focus on webinar series.	●	2018
Targeted stakeholder communication	In 2018, the Corporate Sustainability team focussed on communication with stakeholders via internal and external social media, and internal dialogues were started. In the future, a communication strategy will be implemented.	⊗	2019
Sustainable Development Goals and Science Based Targets	In 2017, PALFINGER thoroughly examined the Sustainable Development Goals (SDGs). The main impact was determined for five SDGs. The evaluation of the Science Based Targets initiative was also started in 2017 and continued in 2018. A new measure defines targets for key environmental indicators.	●	2018
Sustainability vision	The Corporate Sustainability team started to work on the PALFINGER sustainability vision, taking new trends into account. Due to organizational changes, this measure will be finalized in 2019.	●	2019
Facility management	In 2018, the Corporate Sustainability team integrated the topic of facility management into the core process of strategic sustainability management and started operative projects.	●	2018
Concept for health, safety, quality and environment	PALFINGER started to work on an HSQE concept in 2018. With respect to the new GLOBAL PALFINGER ORGANIZATION, the corporate function "Safety & Quality" has been established as a first step. Health and environmental topics are currently under review in order to utilize further synergies and regarding the organizational set-up.	○	2020
Merchandising fan shop	The PALFINGER fan shop is being analysed as to whether its products could be procured from sustainable sources.	○	2020

🌐 GRI 103-2, 205-2