
June 21, 2011 (Tuesday) 55th EOQ Congress

CONCURRENT SESSIONS
KEMPINSKI HOTEL CORVINUS

Tuesday 13:30 – 17:30
Erzsébet tér 7-8, Budapest V.

SALON REGIOMONTANUS

Tuesday 13:30 – 15:00

15.1. CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT I.

Session Chair: *Alexandros Antonaras, University of Nicosia, Cyprus*

13.50 Be Responsible

László Török, Grundfos Manufacturing Hungary, Hungary

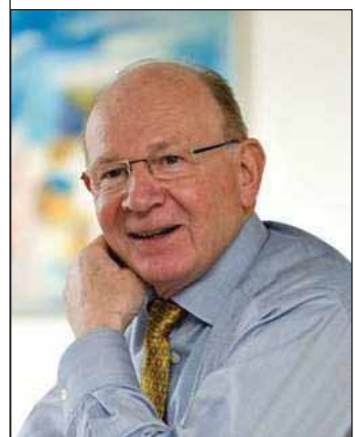
Török, László (Hungary)

László Török has got BSc in mechanical engineering MSC in DFMA engineering at Technical University in Brasov, (Roumania) respectively BDMF in Budapest. Between 2006 and 2008 he attended the Executive Master's Program in Purdue University US West Lafayette Indiana, taking MBA degree. Between 1994 and 2000 he was working for Videoton in different position taking responsibility in job transfers from Germany, Ireland to Hungary, new product development and manufacturing introduction, production management and development of customer relations, including new business opportunities. From year 2000 he joined Grundfos Manufacturing Hungary, being part of the company build-up from the first day in position of production manager, than plant manager, and from 2008 General Manager. Grundfos Manufacturing Ltd during the last 11 years build three plants, a distribution center, introduced R&D activities, technology center and regional purchasing office, altogether with 1850 employee. In the meantime GMH also introduced the integrated management system, the Business Excellence Model introduction, and being through many third party and customer audits.



Grundfos in brief

- Annual production of more than **16** million pumps units
- 85 companies in 50 countries
- Approx. 17,000 employees
- **Turnover 2,67 million EURO in 2010**
- Grundfos is primarily owned the Poul Due Jensen Foundation, 86.7 % in 2010



Niels Due Jensen, Chairman of the Board

"Grundfos has to take the lead and simply become more sustainable in everything we do"

GRUNDFOS MANUFACTURING Hungary IN BRIEF (2010)



Thinking Buildings



- € 321 mill. Turnover
- More than 541 thousand Pumps
- More than 400 thousand Motors
- 1820 Employees – 10% of the Group
- € 9,1 mill. Investment

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GRUNDFOS MANUFACTURING HUNGARY



Thinking Buildings

GMH1 and GMH2



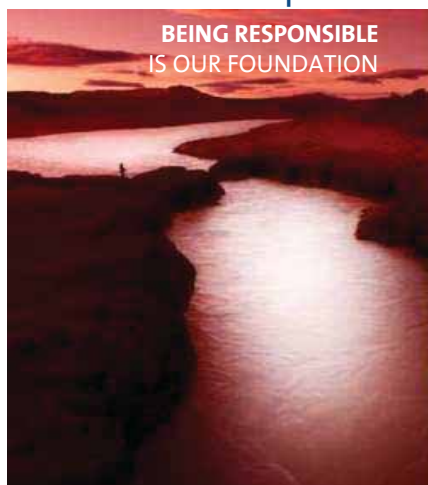
65,000 m²



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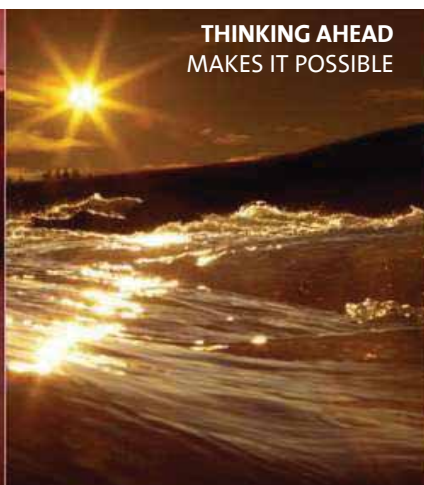
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CSR in Grundfos Corporate values



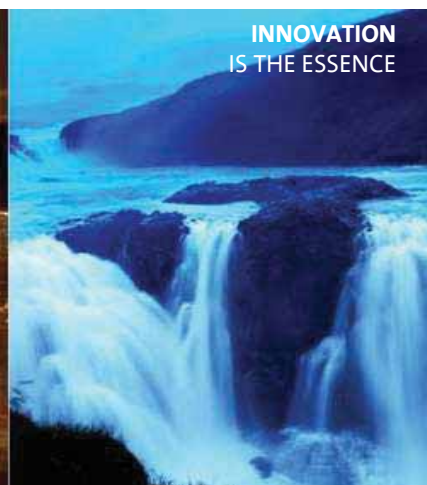
**BEING RESPONSIBLE
IS OUR FOUNDATION**

At Grundfos we understand the significance of responsibility - to the environment and to the people we live, work and deal with



**THINKING AHEAD
MAKES IT POSSIBLE**

At Grundfos we always focus on the long-term perspective.



**INNOVATION
IS THE ESSENCE**

At Grundfos we have an ongoing determination to improve the way things are done. And this does not just apply to setting new precedents in pump technology - we are committed to improving every aspect of our business.

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CSR in Grundfos Innovation intent

GRUNDFOS THINKING ABOUT TOMORROW

CONCERN

CARE

CREATE



Put sustainability first

Be there for a growing world

Pioneer new technologies

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HIDDEN OPPORTUNITY

Everybody is talking long-term sustainable energy, but
we need solutions with significant impact NOW

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**Lowering our energy consumption is one of the
greatest challenges we face in combating climate
change**

*"... climate change is one of
the greatest challenges of
our time and strong
political will is needed to
urgently combat it..."*

- Copenhagen Accord, 2010

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We must focus on the biggest energy saving opportunities



To date there has been far too little focus on motor efficiency

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Truth is that one in five
motors



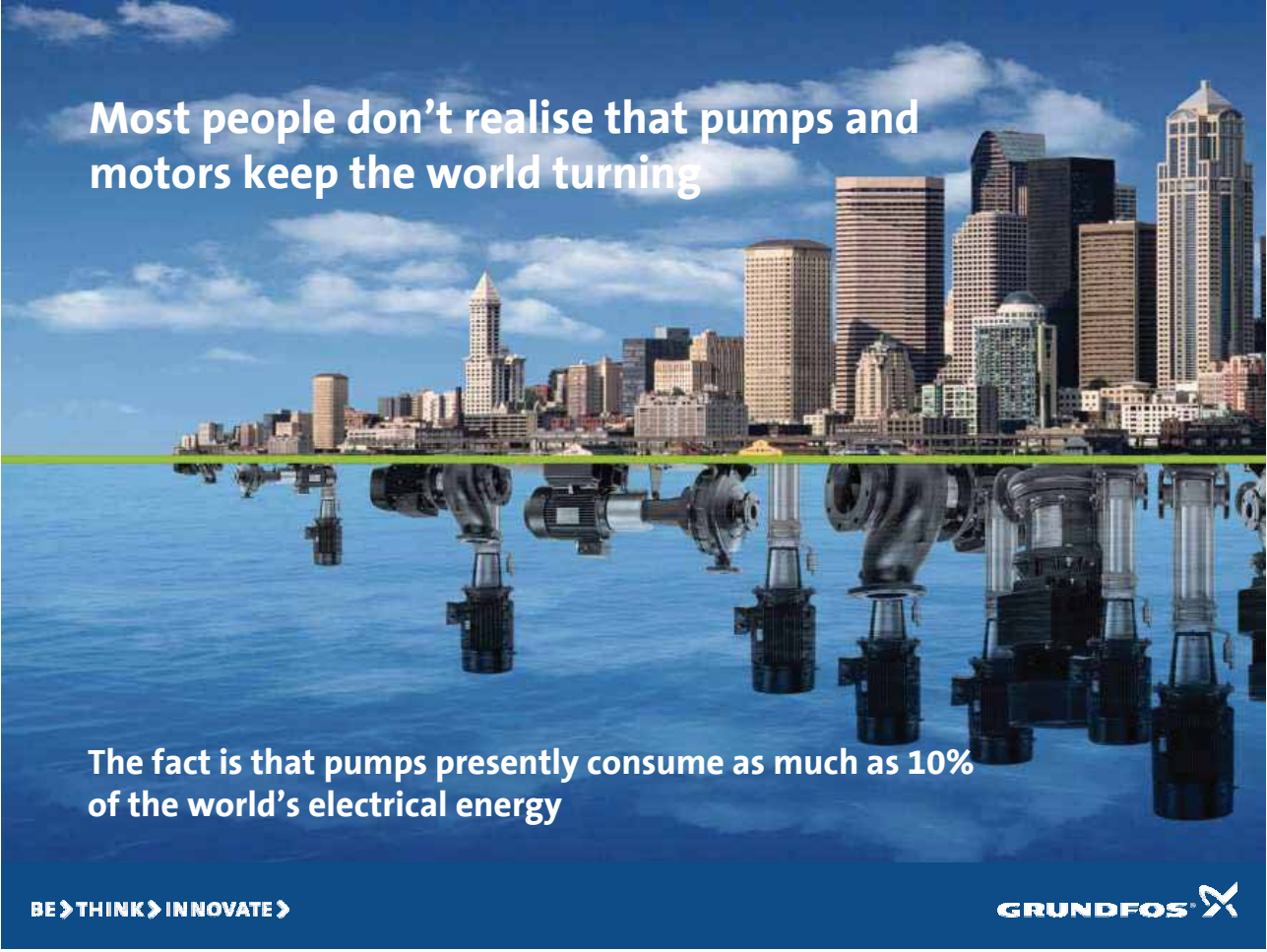
MOTOR

PUMP

... is used to
drive pumps

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Most people don't realise that pumps and motors keep the world turning

The fact is that pumps presently consume as much as 10% of the world's electrical energy

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The potential of pump optimisation is huge both in terms of energy and financial savings

- Energy efficiency is the **fastest way** to reduce CO₂ emissions
- 2/3 of all pumps installed today are inefficient and use up to 60% too much energy
- Pumps typically account for up to 20-30% of a company's energy bill

Save up to **60%** of energy consumption with high efficiency pumps

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Shifting pumps does not require that we reinvent the wheel



- We do not have to wait – the technology is already **available** and can be implemented **today**
- Compared to many other initiatives, shifting to energy efficient pumps is a **simple** solution with **immediate effect**
- Energy efficient pumps do not compromise on **quality**

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Therefore pumps are truly the hidden opportunity for energy savings NOW

This is where we need to start looking



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Commercial and public buildings

- Two examples

Office building

Application: Heating

Size: 35 circulation pumps

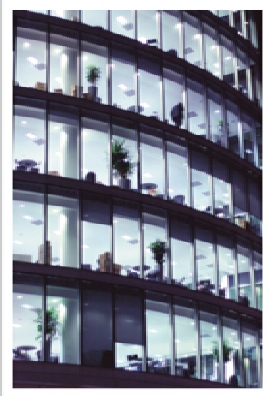
Reduced energy consumption:
29,117 kWh per year

Energy savings: 61.1%

Investment: € 27,193

Saved money: € 108,383

Payback time: 4.7 years



Hospital

Application: Heating and ventilation

Size: 77 beds, 39 pumps

Reduced energy consumption:
37,766 kWh per year

Energy savings: 68%

Investment: € 27,565

Saved money: € 8,110

Payback time: 3.4 years



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Industrial applications

- Two examples

Pharmaceutical

Application: Offices & laboratory

Size: Mid-size pharma company

Reduced energy consumption:
172,416 kWh per year

Energy savings: 68.8%

Investment: € 118,641

Saved money: € 37,008

Payback time: 3.2 years



Brewery

Application: Production
(heating, cooling, water supply and treatment)

Size: Mid-size brewery

Reduced energy consumption:
57,136 kWh per year

Energy savings: 73.7%

Investment: € 31,000

Saved money: € 9,141

Payback time: 3.5 years



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Water utility

- Two examples

Municipal water supply

Application: Main pumps for water distribution

Size: 880,00 m³ per year

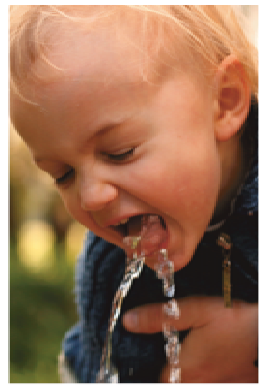
Reduced energy consumption: 69,680 kWh per year

Energy savings: 22.3%

Investment: € 73,000

Saved money: € 9,800

Payback time: 7 years



Wastewater

Application: Wastewater treatment

Size: Annual flow capacity at 3,257,000 m³

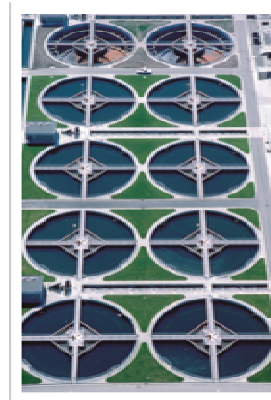
Reduced energy consumption: 140,538 per year

Energy savings: 25%

Investment: € 22,832

Saved money: € 12,973

Payback time: 1.83 years



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Meet the energy challenge



www.grundfos.com/energy

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Social responsibility in Grundfos Flex workshops



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GRUNDFOS BRINGS WATER₂LIFE

TOGETHER WE ARE MAKING A DIFFERENCE!

OVERVIEW:

- Grundfos employees worldwide collect money and give access to clean water for poor people in developing countries – Kenya first
- Funds are donated to Danish Red Cross via www.water2life.net
- Grundfos Group donates half of the first 10 water systems.
- The Danish Red Cross raises funds for capacity building and project work in the Kenyan villages
- Implementation of water projects in Kenya in cooperation with Grundfos LIFELINK and Red Cross

RESULTS, May 2011:

- 147,497 Euro donated from 30 countries
- 3,000 people in Kenya have water now
- 6 projects are financed already by our employees



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