

Corporate Social Responsibility Report 2014

Communication on Progress



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact**.

We welcome feedback on its contents.

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ABOUT THIS REPORT

It is our pleasure to present SP Moulding A/S's new 2014 Corporate Social Responsibility (CSR) Report.

This is our third Sustainability Report and it is based on qualitative and quantitative data from our business units. All our sites in Denmark, Poland and China have reported data in a systematic manner.

The report serves as our annual Communication on Progress (COP report), as required by the United Nations Global Compact.

The 2014 CSR Report complies with our legal and voluntary obligations. In 2014 none of our sites have received administrative or judicial sanctions for failure to comply with laws, regulations and prevailing industry standard¹.

We are reporting in accordance with the Global Reporting Initiative's (GRI) G4 Guidelines. We have followed the process of G4 and identified a list of material sustainability aspects that are currently the most important to SP Moulding A/S and its stakeholders. During this process we have identified the sustainability impacts that matters and are critical to be managed in our organization, and furthermore we have drawn up our management approach. Our Sustainability report also contains Standard Disclosures from the GRI G4 Sustainability Reporting Guidelines. The list of used Standard Disclosures and their location in the report can be found in the GRI G4 Content Index on page 24.

The full report has not been verified by third party. However, a comprehensive work with the collection and internal verification of information has been completed during the preparation of this the report. Furthermore, all our sites are certified in accordance with environmental ISO standards by external certifying bodies.

The CSR Report covers the period from 1st January 2014 to 31st December 2014.

¹ GRI G4 SO 08

A LETTER FROM THE CEO

In SP Moulding, it is our ambition to contribute to sustainable development while at the same time developing our business. We see a good correlation between behaving responsibly while increasing our internationalisation, earnings and growth.

To ensure that we live up to our responsibility, we have a well-established CSR policy for SP Moulding, which reflect our core values: to create the best plastic solutions for the benefit of both our customers and the surrounding environment. We act as an innovative, reliable, responsible and competitive partner for our customers and the societies.



We have always focused on running a responsible and sustainable business, and since 2012 we have been committed to the United Nations Global Compact. Again this year, we set specific targets and initiated activities to deliver on our ambition to make a positive impact. This 2014 CSR Report is our concrete way of telling how we are meeting our ambitions and commitments. We are also actively sharing this information with our stakeholders through our primary channels of communication.

In conclusion, I am pleased to confirm that SP Moulding A/S reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

Yours sincerely

Frank Gad
CEO, SP Moulding A/S

PROFILE

SP Moulding is a leading manufacturer of injection-moulded plastic precision components for a wide range of industrial enterprises worldwide.

The SP Moulding corporate core values are:

- Our employees are innovative, reliable and competitive. They work on a global level with our customers to create the best plastic solutions, not only for the benefit of the customers, but also for the environment
- We comply with the principles in the International Labour Organization's conventions, UN's human rights conventions and Global Compact's 10 commandments
- We implement Lean-processes at the production facilities to give our employees influence on their own work situation and workflow
- Plastic is the material of the future and only lack of creativity sets the limits for its applications in our future world.

SP Moulding has modern production sites in Denmark, China and Poland.

Production and processes in SP Moulding Denmark, Poland and China have been certified in accordance with ISO 9001 and ISO 14001. SP Medical Denmark and Poland have been certified in accordance with ISO 9001, ISO 13485 and ISO 14001.

SP Moulding (Suzhou) Co. Ltd. in China and SP Moulding (Poland) Sp. z o.o. manufacture technical plastics and perform assembly work.

In addition to the actual one-component injection moulding, we also do two- and three-component injection moulding and insert moulding. Everything is carried out in modern production facilities. The technology business area also handles all finishing treatment such as ultrasound welding, surface treatment and printing. Furthermore SP Moulding is handling part or full assembly, packaging and consignment for a large number of customers.

In Karise (Denmark) and Zdunska Wola (Poland), the business unit SP Medical develops and manufactures injection mould medical devices and makes advanced coating solutions.

In 2014 SP Moulding generated revenue of DKK 555.9 million. EBITDA (earnings before depreciation, amortisation and impairment losses) was DKK 42.6 million. EBIT (earnings before financial items) amounted to DKK 17.9 million.²

² GRI G4 EC-01. Please refer to SP Moulding Annual Report 2014

HUMAN RIGHTS

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights;

Principle 2: make sure that they are not complicit in human rights abuses.

General human rights

Our support

We find it important to respect international human rights and we state our support of human rights in our CSR Policy. We also underline that we will strive to prevent any negative impact on human rights and remedy violations of human rights in case we are involved in such.

We are geographically represented through our suppliers in countries where compliance with human rights is not a given. This situation constitutes a risk of negative impact on human rights. We want to work with our suppliers to continuously promote their respect of human rights. We have developed a Supplier Code of Conduct, which is the basis for dialogue with our suppliers and for monitoring their responsibility.

Implementation

We have distributed our CSR Policy to our employees and published it on our website to make it available to all interested stakeholders.

In our Supplier Code of Conduct our suppliers and business partners are requested to respect human rights. The management of our supply chain primarily focuses on our suppliers of tools, as our suppliers of materials are large reputable international companies that already in a detailed manner publish their efforts in the area of CSR.

Progress

No incidents of involvement in human rights violations or negative impact on human rights were reported in 2014.

Once every 3 years we initiate a self-assessment screening process of our most significant suppliers of tools. The last screening took place in 2013. The suppliers reported on a number of indicators concerning human rights, labour, environment and anti-corruption and we did not find any issues of concern³.

³ GRI G4 HR-10

Working conditions

Our support

Without our employees SP Moulding A/S is nothing. As to the human rights of our employees, we state in our CSR Policy that we will provide good employment and that we follow laws and collective agreements with regard to wages and other employment conditions. We also state that we will work to ensure development opportunities for our employees and a safe and healthy working environment.

We focus on employee satisfaction, safety and health as an essential part of risk management to avoid accidents, illnesses and lost working days. Attention towards employee development, health and safety improves the quality of life of individual employees and their families to the benefit of our company and our local societies.

Implementation

We do an active effort to retain and attract the most qualified employees. Through our membership of the Confederation of Danish Industries (DI) we follow collective agreements on fair and equal salaries and employment conditions.

At our sites in Denmark, wages, salaries and working conditions are determined in collective agreements subsequent from central and local negotiations. In Poland and China (the smallest organizational entity), the conditions and rights of the employees are primarily stipulated by legislation, codes and regulation.

In general, we follow national labour market regulations and make sure that the salary of our employees is fair and equal; that the workweek is limited to an absolute maximum of 48 hours; that overtime is infrequent and limited; and that employees are given reasonable breaks and rest periods. We also seek to offer our employees additional benefits.

We have an Occupational Health and Safety organization at all sites. We have established and follow adequate health and safety policies and procedures. We take concrete measures to improve health and safety at all our workplaces and we provide our employees with protective equipment including safety shoes, safety glasses, safety gloves and work wear. We also provide our employees with necessary training to perform their tasks safely, including fire handling and first aid training.

We seek to improve the qualifications of our employees through supplementary training and continuous education. Many of our employees receive regular performance and career development reviews.

Progress

Our HR system records data on employee turnover⁴

Employee turnover Poland Total no. of employees: 336	Employees hired		Employees left		Total
	Male	Female	Male	Female	
Age < 30	4	9	1	3	9
age 30-40	3	59	4	18	40
age 40-50	1	1	0	2	0
age 50-60	2	0	0	1	1
age 60-70	0	0	0	0	0
age > 70	0	0	0	0	0
Total	10	69	5	24	50

Employee turnover China Total no. of employees: 109	Employees hired		Employees left		Total
	Male	Female	Male	Female	
Age < 30	89	32	87	30	4
age 30-40	26	15	25	18	-2
age 40-50	6	4	5	3	2
age 50-60	0	0	0	0	0
age 60-70	0	0	0	0	0
age > 70	0	0	0	0	0
Total	121	51	117	51	4

Employee turnover Denmark Total no. of employees: 317	Employees hired		Employees left		Total
	Male	Female	Male	Female	
Age < 30	14	12	6	11	9
age 30-40	4	9	2	3	8
age 40-50	7	12	5	4	10
age 50-60	5	11	2	7	7
age 60-70	2	0	3	1	-2
age > 70	0	0	0	0	0
Total	32	44	18	26	32

Accidents, illnesses, lost working days etc. are recorded in our management system, verified by quality and production managers on all sites.

⁴ GRI G4 LA-01

Lost working Hours⁵	
Number of occupational injuries for employees	5
Lost working hours for employees because of occupational injuries	442
Fatalities of employees arising from an occupational injury	0
Lost working hours for employees because of sickness not due to occupational injuries	23,501

In 2014, concrete measures were taken to improve health and safety at the various work places⁶:

SP Moulding Poland

In SP Moulding Poland employees are subject to OHS training: preliminary, job-specific, periodic according to labour laws - (Journal of Laws from 2011, no.232, pos. 1378.).

Further SP Moulding Poland has entered a contract with the company LUXMED, broker of medical service, which guarantees faster medical service (for example: vaccination against flu is available for employees whom are interested). Also employees are trained on health and safety at the work place (according to Polish law), employees are trained in first aid, employees are trained in accordance with working instructions, and employees had fire training (how to behave during fire). An external company performs measurements of noise and light level in our plant.

Regulations for assignment of work clothing and shoes according to labour law are followed (Journal of Laws from 2011, no.232,pos.1378). SP Moulding Poland guarantees safety shoes, safety glasses, safety gloves, workwear, etc.

SP Moulding China

In SP Moulding China we provide every operator with ear plugs, we provide technicians with safety shoes. We provide dust protecting mask and noise reducing ear-muffs (reduces 30dB) to employees. We implement 5S to monitor the safety in the production, new employees are educated in "how to act safe in the factory" and "how to work and prevent accident happening" in accordance with our factory regulations.

SP Medical Karise

All personnel are trained in performing their jobs. This includes safety requirements. All necessary protective equipment is supplied in accordance with legal requirements and common sense.

⁵ GRI G4 LA-06

⁶ GRI G4 LA-06

SP Moulding Juelsminde

The AMO (ArbejdsMiljøOrganisation) has in 2014 been testing and purchasing equipment to reduce/eliminate heavy lifts for:

- Operator lifting boxes of plastic parts from injection moulding machine to weight and to pallet.
- Personnel lifting plastic bags with raw material (app. 25 kg each bag) from pallet to dryer or container.
- Setter lifting plastic bags (app. 25 kg each bag) from pallet to hopper at injection moulding machine or when emptying the hopper after ended production.

If box weight cannot be reduced to < 12 kg pr. box then the operator has to use lifting equipment.

According to Danish law, SP Moulding do supply our employees with training and necessary protective equipment, which is required for the job.

According to Danish law, SP Moulding shall have evaluation on all jobs to reduce and prevent monotonous repetitive work.

SP Moulding Stoholm

In 2014, there were conducted workplace assessments in the office and in production. There have been conducted risk assessments on the outcome of this assessment. Tasks are initiated to make improvements in the points that were assessed critical. We regularly conduct health examinations by a doctor for the staff that are permanently working night shifts, to ensure that their health is well maintained.

All staff undergoes training in 05.4325_ Use of workplace instructions according to "Training plan" for new employees. Any employees who have a job that require personal protective equipment get these supplied according to our workplace instructions.

SP Moulding and SP Medical in general

In 2014 continuing education and career development reviews were offered to our employees in all our sites:

Average hours of training⁷	Male	Female	Total
Management / Executives	211	90	301
White collar employees	871	754	1,625
Blue collar employees	867	1,066	1,933
Total	1,949	1,910	3,859

We provide a number of programs to upgrade employee skills⁸:

⁷ GRI G4 LA-09

⁸ GRI G4 LA-10

In Poland HR programs are implemented in order to control and record of job-training. Extra employee hired to operated training. We have a competence matrix which shows every employees level of skills. If needed additional training is organized internally or externally.

In China, we provide technicians with crane/forklift training.

In Denmark all (100%) personnel is trained in performing their jobs. No one can perform a job unless they are trained and the training is documented, and the effectiveness of the training is evaluated.

Furthermore, training is documented and evaluated on a regular basis (yearly).

Documented training including evaluation is a basic GMP requirement.

We have conversation with all employees to identify needs to upgrade their skills. All new employees undergo training in relation to procedures. The training varies depending on the requirements of their job. Training schedule is updated regularly.

In all our sites career and development reviews have been performed:

Career and development reviews⁹	Male	Female	Total
Management / Executives	6	5	11
White collar employees	27	92	119
Blue collar employees	57	57	114
Total	90	154	244

⁹ GRI G4 LA-11

Case: Education - Investment in our employees



SP Moulding is focusing on automation of the production to be a competitive supplier and to meet customer demand. Increasing automation in our production by implementation of advanced robots at the injection moulding machines, new automatic assembly lines and robots in our department for mounting and printing needs more than just investment in equipment - it needs of cause also investment in our employees.

Advanced robots on injection moulding machines and assembly lines increase the needed skills of our employees. They have to handle more advanced machinery, complex working instructions, and more documentation and must always be adaptable for new and more advanced tasks.

In the summer, SP Moulding started cooperation with two institutions of education in Horsens. The scope was improvement of skills such as: Reading and writing Danish, mathematics and use of computers. SP Moulding did an event (barbecue in the lunch break) in September, where consultants from the institutions told about the education they could provide. Then employees were offered screening in the skills Danish, mathematics and use of computer. The result of the screening was education of employees that would like to improve their skills in Danish and use of computer. Education is planned to be completed in year 2015.

Case: SP Moulding is a responsible employer - a good place to work.



Krystyna Katarzyna Jørgensen is working as operator at SP Moulding A/S in Juelsminde. In March 2013, Krystyna got an awful message from the doctors: “you have aggressive breast cancer”. Suddenly the situation turned for Krystyna and her family; from a normal life working at SP Moulding to survival against this terrible illness. What would the future bring? Krystyna went through surgery and further treatments to stop the breast cancer. In the beginning of spring, Krystyna was in progress and wanted to come back at work. Unfortunately, Krystyna could not manage the work as an operator in production, but she surely wanted to start working again and participate in the social community at SP Moulding.

The municipality suggested her other jobs that did not require so much physical work, but it had no interest. Krystyna would like to go back to SP Moulding. As a responsible cooperate employer SP Moulding offered, that Krystyna could start as an operator. SP Moulding, Krystyna and the municipal made agreement of trainee from end of April 2014 to end of the year. Krystyna started working 3 hours 2 days a week, and from June she worked 3 hours 3 days each week. Krystyna and SP Moulding made an agreement of employment, so that from the 1st of January 2015 she works as an operator working 10 hours a week with alternated tasks in production that Krystyna can manage and give her quality in life. In January 2015 Krystyna were at one of her many medical checks after the surgery, and got the wonderful result: no more cancer.

LABOUR RIGHTS

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Our support

We find it important to comply with international human rights and labour standards. In our CSR Policy, we state that we recognize our employees' right to freedom of association and collective bargaining. We also state that we denounce forced labour and child labour. As an international company, we respect differences in cultures and traditions and we value a diverse workforce. We will comply with national legislation on non-discrimination and promote equal opportunities at the work place.

With regard to gender, non-discrimination and diversity our Board of Directors has decided that the target for the underrepresented sex in the Board should be minimum one member at the time of the General Assembly in 2017. On the next level of management (executive management and management) the target to be met before the end of 2017 for the underrepresented sex is 20 %.

We are geographically represented through our suppliers in countries where compliance with human rights and labour rights is not a given. This situation constitutes a risk of negative impact on labour rights. We want to work with our suppliers to continuously promote their respect of labour rights. We have developed a Supplier Code of Conduct, which is the basis for dialogue with our suppliers and for monitoring their responsibility.

Implementation

We have distributed our CSR Policy to our employees and published it on our website to make it available to all interested stakeholders.

In our Supplier Code of Conduct our suppliers and business partners are requested to respect labour rights.

SP Moulding is a member of the Confederation of Danish Industries (DI). In its capacity of employer's association, DI is responsible for collective bargaining at the Danish level within our sector. Through our membership of DI and in our daily practice, we support the right to freedom of association and collective bargaining and most of our employees are members of labour unions.

To comply with general discrimination rules, all employment-related decisions are based on relevant and objective criteria. We only recruit, appoint and promote employees on the basis of their qualifications and experience. To reach our target of having at least one female member in the Board of Management at the time of the General Assembly in 2017 and to meet our target of 20 % female managers at the next level of management, we have established a Policy on Equal Opportunity, supporting diversity and non-discrimination with regard to gender.

Progress

Once every 3 years we initiate a self-assessment screening process of our most significant suppliers of tools. The last screening of our most significant suppliers of tools took place in 2013 and we did not find any issues of concern with regard to labour rights¹⁰.

We have not identified sites in Denmark, Poland or China or suppliers in which the right to freedom of association and collective bargaining have been at significant risk¹¹

At the sites in Denmark, employees appoint representatives for joint consultation committees and working environment committees where they meet with local management. At the sites in Poland and China, systems have been established where the employees appoint spokesmen for negotiations with management¹².

In general, we do not hire children or young workers below 18 years of age and no claims of child labour were reported in 2014¹³

We only have one business unit - SP Moulding (Juelsminde) in Denmark – where we hire children above 13 years of age to help us with lighter work after school hours. In 2014, five children between 13 and 18 years of age worked for a maximum of 2 hours a day and we have special quality procedures for these children. Danish law only allows for lighter forms of labour for children above 13 years of age and SP Moulding obviously follows these strict legal requirements for employment of children in Denmark.

All our employees are provided with an employment contract and no claims of forced labour were reported in 2014¹⁴. Likewise no claims of discrimination were reported in 2014¹⁵.

¹⁰ GRI G4 LA-14

¹¹ GRI G4 HR-04

¹² GRI G4 HR-04

¹³ GRI G4 HR-05

¹⁴ GRI G4 HR-06

¹⁵ GRI G4 HR-03

When it comes to age and gender, we have a relatively diverse workforce:

Composition of governance bodies and employment categories¹⁶			
	Male	Female	Total
Board, Management / Executives	18	9	27
White collar employees	71	149	220
Blue collar employees	188	332	520
Total	277	490	767

Composition of governance bodies and employment categories¹⁷				
	Board, Management / Executives	White collar employees	Blue collar employees	Total
Age <30	1	22	160	183
Age 30-40	12	46	198	256
Age 40-50	2	38	122	162
Age 50-60	9	38	89	136
Age 60-70	1	8	17	26
Age > 70	2	2	-	4
Total	27	154	586	767

¹⁶ GRI G4 LA-12

¹⁷ GRI G4 LA-12

ENVIRONMENT

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Our support

We acknowledge our environmental responsibility and we find it important to contribute to a sustainable development. We are determined to comply with international environmental standards and we are committed to undertake initiatives to implement and promote environmental responsibility. In our CSR Policy we state that we will work systematically to reduce our negative environmental impact and promote greater environmental responsibility through our certified environmental management systems.

In general, plastic has a number of unique characteristics and if plastic is produced and used wisely and with care, it has a positive impact on the environment.

We are aware of current laws and regulations relevant to the environmental impacts of our activities, products and services. Transparency with regard to our legal compliance is crucial for us.

We seek to promote the use of more environmentally friendly technologies and materials. We believe that it is good business to invest in environmental protection and to improve our environmental performance.

In our Supplier Code of Conduct our suppliers and business partners are requested to support and respect these principles of environmental responsibility.

Implementation

We work systematically to prevent, minimise and remedy adverse environmental impacts of our activities and we manage environmental issues to ensure appropriate and continuous improvements.

We have distributed our CSR Policy to our employees and published it on our website to make it available to all interested stakeholders.

We ensure legal compliance through training, awareness, operational control and monitoring.

Based on our strategy on environmental protection, we evaluate all new investments in the factories and administration from an environmental point of view, securing that all projects comply with our ambitions for lowering energy consumption, emissions and waste. This is done through action plans for the individual projects.

Production and processes in all SP Moulding and SP Medical sites have been certified in accordance with ISO 9001 and ISO 14001. The business unit of SP Medical (Denmark and Poland) have furthermore been certified in accordance with ISO 13485. An external audit company performs audits yearly at all sites to verify our different ISO certifications.

Our management system includes key elements from ISO/TS 16949. We comply with all environmental directives, among these the REACH (1907/2006/CE), Candidate list of Substances of Very High Concern and RoHS directive (2011/65/EU).

Environmental compliance is managed through internal procedures as part of our management system. Our Environmental Management system and CSR Policy make up the foundation for environmental compliance and optimization activities.

In our Supplier Code of Conduct our suppliers and business partners are requested to respect principles of environmental responsibility.

Progress

We have not received any administrative or judicial sanctions for failure to comply with environmental laws and regulations¹⁸.

Once every 3 years we initiate a self-assessment screening process of our most significant suppliers of tools. The last screening of our most significant suppliers of tools took place in 2013 and we did not find any issues of concern with regard to the environment¹⁹

Materials

We use different kinds of plastic in our production and we strive to increase the use of recycled materials.

Total plastic raw materials used²⁰	Kg
Virgin plastic	5,237,290
Regranulate	215,009
Total	5,452,299

¹⁸ GRI G4 EN-29

¹⁹ GRI G4 EN-32

²⁰ GRI G4 EN-01

Total materials being used for packaging purposes²¹	Kg
Plastic wrap	262,307
Cardboard	333,961
Total	596,268

Recycled materials²²	Kg
Weight of plastic regranulate from own production in kg	182,571
Weight of purchased regrinded plastic material in kg (plastic regranulate from external sources)	32,438
Total	215,009

Energy

We make investments in energy saving equipment. Every month a number of key figures for consumption of energy are examined, which has proved to reduce the energy consumption.

Energy consumption within the organization (excl. electricity)²³	Giga Joules
Natural gas	9.246
Fuel oil	31
Total	9,277

Purchase of electricity within the organization²⁴	kWh
Total purchase of electricity in kWh	22,056,653
Total purchase of electricity produced by renewable wind energy sources in kWh	1,311,676
Total	23,368,329

Initiatives to increase energy efficiency and save energy includes²⁵: New ventilation systems, new cooling systems, new heating systems, frequency converters on moulding machines (Denmark), use of the cooling system with "free cooling" function and moisture analyzer in production (Poland). We expect to save more than 800,000 kWh²⁶ per year as a result of these initiatives. Also we have a number of initiatives to reduce energy use for business-related travel and employee commuting: Video-conferences, phone- or video meetings with customers and we encourage our employees to use public transportation

²¹ GRI G4 EN-01

²² GRI G4 EN-02

²³ GRI G4 EN-03

²⁴ GRI G4 EN-03

²⁵ GRI G4 EN-06

²⁶ GRI G4 EN-06

and bicycles where applicable²⁷. We expect to save more than 35,000 kWh²⁸ per year as a result of these initiatives.

Water

Our use of water is allocated to our kitchens, toilets and bathing facilities as well as our cooling systems for machines and tools. All our cooling water runs in closed systems.

In all our sites we do regular controls of the water consumption to detect any possible leak.

Water withdrawal²⁹	M³
Total volume of water purchased from municipal water supplies or other water utilities in cubic meters used for any purpose.	8,299

Greenhouse gas emission

We continuously try to reduce transportation by doing as large quantities per delivery as can be accepted by our customers. In addition, we focus on doing fully loaded transports for purchase of raw materials and for shipments of products to customers also to reduce the greenhouse gas emission.

Direct and indirect greenhouse gas emissions	kg CO₂
Direct greenhouse gas emissions (from natural gas) (Scope 1) ³⁰	588,765
Indirect greenhouse gas emissions (from electricity) (Scope 2) ³¹	7,116,411

Waste

Weight of waste in kg³²	Recycling	Incineration	Landfill	Other	Total
Plastic	333,716	-	-	-	333,716
Packaging (plastic bags, cardboard, pallets etc.)	74,937	5,255	-	-	80,192
Scrap	17,490	258,005	-	23,450	298,945
Other	13,100	1,423	-	10,200	24,723
Total	439,243	264,683	-	33,650	737,576

An approved waste contractor collects all types of waste for recycling, incineration or landfill.

²⁷ GRI G4 EN-06

²⁸ GRI G4 EN-06

²⁹ GRI G4 EN-08

³⁰ GRI G4 EN-15

³¹ GRI G4 EN-16

³² GRI G3 EN-23

Case: Reduction of energy consumption and CO₂ emission in Juelsminde

The administration building at SP Moulding in Juelsminde is built in 1985 and the building was originally heated with electric radiators.

The aim for reduction of energy consumption was to decrease consumption of electricity and be liable to the environment.

Therefore SP Moulding in Juelsminde has made an investment in a new heating system using heat pump.

The heat pump is using the “energy” (warm) from the recycled “process-cooling water”. Calculated yearly saving in electricity consumption is about 242,200 kWh each year, which also gives a reduction in emission of greenhouse gases.

Yearly saving with implementation of heat pump as “heat-system” is about 21.500 Euro.

Case: Reduction of energy consumption and CO₂ emission in Poland

SP Moulding in Poland has built an installation, which is using warm air from carrier to heat our offices, canteen, changing rooms. Due to this, in 2014 SP Moulding has observed savings in oil consumption: in 2013 we used 9973 liters (355 GJ) of fuel oil and in 2014 we only used only 877 liters (31 GJ).



ANTI-CORRUPTION

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Our support

We believe in responsible behaviour and that we must take a clear stand against corruption. We express it clearly in our CSR Policy that we do not participate in corruption or bribery. We will not offer, promise or give any kind of bribes to improperly influence public officials, judges or business associates. We also state that we will refrain from receiving or accepting any bribes ourselves and that persons acting on our behalf are subject to the obligation not to participate in corruption or bribery.

We are obliged by legal obligations, including the UK Bribery Act, to work against corruption and facilitation payment. Corruption has a significant and negative societal impact especially in poor countries. Also a corruption-case may potentially cause prison sentences, large fines and reputational damage impacting our business sustainability and social license to operate.

In our Supplier Code of Conduct our suppliers and business partners are requested to support and respect anti-corruption principles.

Implementation

We have distributed our CSR Policy including our statement on corruption and bribery to our employees. We have started planning adequate procedures against corruption as well as formal training sessions on anti-corruption for core employees. China has a special focus, due to the higher risk potential in this part of the world.

Our management makes detailed controls on all sites and all significant transactions are analysed by our management. As part of the audit of our companies, the auditors consider the risk of bribery and the measures taken by management to reduce this risk.

In our Supplier Code of Conduct our suppliers and business partners are requested to respect principles of anti-corruption. As described under the Human Rights section for all new suppliers, the Supplier Code of Conduct constitutes a part of their co-operation agreement with us.

In China, we have established a specific audit team of employees where 2-3 individuals regularly audit our suppliers to ensure that our Supplier Code of Conduct and statement on anti-corruption is respected and adhered to.

Progress

We have not received any administrative or judicial sanctions for failure to comply with anti-corruption laws. No claims or request for monetary sanction

for corruption and no legal corruption cases against any of our sites were reported in 2014³³.

In 2014 we started a process communicating and training our employees in our anti-corruption policies and procedures. The program will be fully implemented in 2015³⁴.

Once every 3 years we initiate a self-assessment screening process of our most significant suppliers of tools. The last screening of our most significant suppliers of tools took place in 2013 and we did not find any issues concerning corruption³⁵.

³³ GRI G4 SO-05

³⁴ GRI G4 SO-04

³⁵ GRI G4 SO-09

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