

# CSR Report 2018

**Creating**  
a more sustainable future  
**together**



mekoprint

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## > ABOUT THE REPORT

We are proud to present the Corporate Social Responsibility (CSR) report 2018 of Mekoprint A/S, which comprises Mekoprint A/S' work with CSR activities as well as the future targets for this area. The report is based on our activities in Denmark through our 5 factories in Støvring, Aalborg and Hornslet. The next Mekoprint group CSR report will aim to include activities in Poland and Hong Kong.

The report is based on our membership and adherence to the UN Global Compact, which establishes ten basic principles, derived from internationally applied conventions about human rights, labor rights and the environment. Additionally, we complement the report with some of the CSR initiatives which are not part of the UN Global Compact's ten principles, but which we deem every socially responsible company should keep in mind. This is notably social responsibility within good and ethical business practices, local community development- and involvement as well as a sustainable approach to our overall business operations. These initiatives as well as the Global Compact principles are addressed in the report in the paragraphs *Social Responsibility* and *Climate- and Environmental Impact*. Finally we list the strategic CSR objectives for 2020 and actions for 2018 through division of our 6 key stakeholders: Employees, Environment, Suppliers, Customers, Society and Finance with a sustainable future as the common focal point.



## > A SUSTAINABLE INITIATIVE

Our overall CSR goal is to contribute to a more sustainable world. We do this in part by supporting the UN Global Compact and its ten principles within human rights, labour, environment and anti-corruption.

Our ambition, however, is not only to comply with legislation, but also to show a high level of social responsibility in connection with operating and developing Mekoprint. We want to lead the charge in optimizing the sustainability throughout the value chain by delivering maximum value with a minimum amount of resources and environmental impact.

We can only succeed in bringing by a more sustainable future by starting with ourselves as an organization, which have to be at the forefront of taking actions that create a difference. Therefore we are very proud that we in 2016 and again in 2017 was named one of Denmark's best workplaces by Great Place to Work.

Our efforts in working with both our internal work environment as well as our external environmental impact has always been highly prioritized through our daily operations and we were the

the first company in Denmark to be triple certified according to DS/ISO 9001, DS/ISO 14001 and OHSAS 18001.

It is, however, not enough that we are a responsible business – those who we cooperate and do business with have to be responsible as well. This is why we commit our suppliers to comply with our code of conduct and audit our largest partner suppliers.

As an extension to our work of conducting ethical business through our code of conduct from 2012, we will continually develop, document and publish our results working with Corporate Social Responsibility.

We want to meet our global customers' desire to conduct business with responsible companies and leave a better world for the next generation. One of our fundamental values is to take responsibility – both internally and externally.

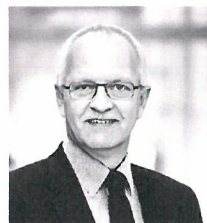
Sustainable growth, earnings and responsible behaviour go hand in hand.

Happy reading!

Anders Kold  
CEO



Torben Jensen  
CFO



## > ABOUT MEKOPRINT

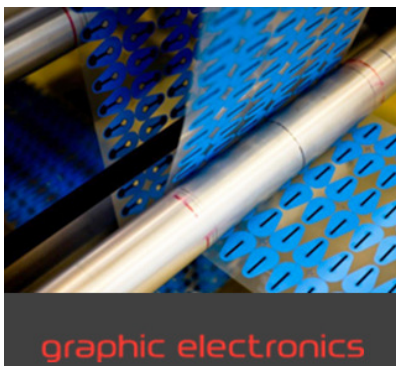
### > FAMILY OWNED COMPANY FOR MORE THAN 60 YEARS

Mekoprint is a family owned company established in 1954 by Erland Kold. The history of Mekoprint began when Erland Kold bought a share of Aalborg Kliché- and Metal sign factory. The metal sign factory became Mekoprint, who produced etched metal signs and self adhesive transfers for marking of motors, pumps and agricultural machines. In 1973, Esben Kold took over the management, and with a background as a chemical engineer and graduate in business administration, the company developed into a high-tech, growth oriented company with a wide range of technologies, competences and product solutions. After more than 40 years, Esben Kold passed on the baton to his son Anders Kold, who since March 1<sup>st</sup> 2015 has been in charge of the company as the third generation in the company.

### > GROUP FACTS

Mekoprint is a 100% order producing high-tech company with a focus on innovative, partner based relations with customers and suppliers. The customer specific solutions, created together with the customers, are based on a close cooperation, a common goal, and the ideal combination and exploitation of our own and customers' strengths. Mekoprint primarily work with customers who have special requirements for customer specific products and total solutions within user interfaces, high volume flexible foils, EMC shields, cable harnessing, metal signs and manufactured metal parts. Mekoprint offers more than 30 manufacturing technologies, have more than 20000 customer specific part numbers and supply to all major industries from industrial automation to medico.

Mekoprint is headquartered in Støvring and has around 450 employees within 40.000 m<sup>2</sup> production areas with majority of the manufacturing in Denmark. Aside from the three factories in Støvring, Mekoprint has one factory in Aalborg and two factories in Poland in Szczecin and Warsaw. In 2012 Mekoprint further established an office in Hong Kong in order to engage with the increased activity in Asia with regional partner production, logistics, sales and customer service. The engagement with Asia, however, goes all the way back to the early 1990's when Mekoprint signed the first partnership agreement with an Asian supplier. Since then the focus has been on producing high quality, at a competitive price. Organizationally, Mekoprint is divided into four divisions each with their own specialized product focus: Graphic Electronics, Chemigraphics, Mechanics and Cables.



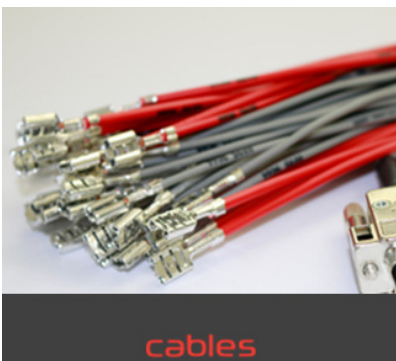
**Mekoprint Graphic Electronics** develops and produces industrial user interface solutions, foil based high volume products, flexible touch and LED foils, industrial graphical design, production of labels, front foils and transfers based on highly automated digital and silk screen printing. The manufacturing is mainly in Støvring, Denmark, but also with production partners in Asia.



**Mekoprint Chemigraphics** develops and produces precision metal parts, EMC shields and metal signs to everything from pumps to microphones and hearing aids. The manufacturing is primarily in Støvring, Denmark with etched metal parts in low to medium volume and punched parts in high volume. Additionally Chemigraphics has a highly automated setup in multi axis micro machining of micro precision parts.



**Mekoprint Mechanics** develops and produces cabinets, chassis components, front panels and heatsinks through a range of in-house technologies. These technologies include fiber laser cutting, milling, punching, bending, progressive deep drawing, anodizing, powder coating and graphical printing. The manufacturing takes place at two sites in Denmark and one in Poland.



**Mekoprint Cables** develops and produces cable solutions for industrial use from single wire to complex cable harnesses for use in larger appliances within several industries eg. Industrial automation, pumps and machines. The manufacturing takes place in Poland with around 175 employees while sales activities are centered in Denmark.

## > SUSTAINABLE VALUES

Every day Mekoprint strives to create a more sustainable production together with select customers by creating the best solutions that maximize value with a minimum of resources and environmental impact. We can only do that by abiding by sustainable values:

We are...

...tirelessly **curious** and **ambitious** in finding better ways to engineer, produce and deliver, by constantly having focus on optimizing resources throughout the entire value chain.

...**actionable** in everything we do, not least our social responsibility. This is why we measure specific indicators that ensure that we focus on the right pointers, so we constantly advance in a sustainable direction.

...**responsible** by showing a high level of respect and attention towards our customers, colleagues, suppliers, the environment and society.

## > MEKOPRINT CSR TIMELINE

1992	1996	1999	2001	2005
Environmental approval and wastewater permit	DS/ISO 9001 Quality Management Certification	DS/ISO 14001 Environmental Management Certification	First Risk Assessment (APV) through the Danish Working Environment Agency	Agreement on internships for long term sick and refugees
		DS/OHSAS 18001. Occupational Health and Safety Assessment Series Certification		Management of REACH directive EC 1907/2006 regarding use of chemicals
2013	2011	2010	2008	2007
BAT (Best Available Technology) Mechanics Anodising plant	Management of RoHS directive 2011/65/EU	Code of Conduct	Implementation of ATEX directive 94/9/EC	First published report on PRTR (Pollutant Release and Transfer Register)
			Management of REACH directive EC 1907/2006 regarding use of chemicals	External safety audit, hazardous waste.
2014	2015	2016	2017	2018
First employee satisfaction survey conducted with Great Place To Work	Code of Conduct updated according to UN Global Compact	Named one of Denmark's best workplaces by Great Place To Work	First CSR Report	Upgrade of ISO 9001 to ISO 9001:2015 certification
Management of Conflict Minerals Strying according to "The Dodd-Frank Wall Street reform and Customer Protection Act		Formalized cooperation internships for long term sick & refugees	Joined UN Global Compact	Upgrade of ISO 14001 to ISO 14001:2015
		ATEX directive 94/9/EC removed and replaced by ATEX directive 2014/34/EU		DS/OHSAS 18001 is replaced by ISO 45001





## **> ETHICAL BUSINESS CONDUCT**

It is not enough, that Mekoprint conducts business responsibly. Our business and trading partners should also conduct their businesses responsibly. This is why we ask our suppliers to live up to, sign and be audited on our Code of Conduct, when they do business with us. Our Code of Conduct ensures that both long term as well as new suppliers and partners deal with their own social responsibility throughout the value chain. We are not interested in lower prices at the expense of the environmental conditions of workers or the climate, and we expect that both customers and suppliers share this position.

Mekoprint has a huge responsibility in ensuring healthy and safe working conditions for the employees. We must continually work to improve working conditions and reduce work related risks by constantly setting the bar higher and giving the employees the necessary knowledge and training. This applies both for employees of Mekoprint and of the partners we work with, since the working conditions are a substantial part of our Code of Conduct.

A transparent tax policy is often touched upon when the subject is ethical business conduct. As we have subsidiaries in other countries with lower business taxes, we of course work with the arm's-length principle and other transfer pricing guidelines of the OECD. The arm's-length principle ensures that we make transactions on the same conditions as independent parties under market conditions.

## **> GOOD CORPORATE GOVERNANCE**

We want an open dialogue with both employees, supplier and customers. Through our annual reports, which are also available on our website, we inform about the company's development and activities. Aside from this we regularly communicate about the development of Mekoprint through quarterly presentations, digital information boards, intranet, divisional meetings, newsletters and status mails. We express all the things that are going well, but also where we can improve. Despite being around 500 employees, there is a flat organizational structure where the door is always open to the management. This ensures that everybody, both in the administrative functions and the production, can share information across job functions and have open dialogues about the company's development and challenges. We also put our commitment to an open company culture to the test through the Great Place To Work survey. This survey showed a steady increase of 20% from 71% in 2014 to 91% in 2017 in employees perceiving the management as accommodating and easy to talk to.

## **> WORKING CONDITIONS**

Mekoprint was one the first companies in Denmark, who in 1999 was certified in the internationally renowned Occupational Health and Safety Assessment

standard OHSAS 18001. This certificate ensures a continual focus on improving healthy and safe working conditions for the employees. At mekoprint it is essential that there is focus on the physical work environment with dust, noise and climatic conditions and psychological work environment with well-being, motivation and job satisfaction. We constantly work to minimize noise and odors through among other things separate exhausts and fitting of acoustic panels to reduce noise.

## > EMPLOYEE SATISFACTION

The employees are and have always been Mekoprint's most important asset. Mekoprint has always made employee satisfaction and work environment a top priority and each year we aim to improve by setting new goals. In 2014 and 2015 Mekoprint launched an extensive employee satisfaction survey in cooperation with Great Place To Work. Based on these results we selected specific focus areas with action plans for improvements. The first step was establishment of an HR group with 10 representatives across the organization. The HR group initiated a new Individual Development Plan process and kicked off our efforts into activating and incorporating Mekoprint's values under the headline "Creating Together". In order to make sure this effort creates value, we continually conduct employee satisfaction surveys annually in cooperation with Great Place To Work. The results speak for themselves - Mekoprint was in 2016 named as one of the best workplaces in Denmark with a top 40 placement, and in 2017 we moved up to 23<sup>rd</sup> place. Our ambition for 2020 is a top 10 placement. In extension of this our employee satisfaction results has in one year increased from 77% to 89% on the Trust Index.

Employee involvement and job satisfaction are often closely connected, which is why we are delighted to see employees engaging in different groups and committees to make their daily life and well-being even better. There are two committees at Mekoprint who make decisions which impacts the working environment and job satisfaction. One is the Work Environment Committee, which focuses on a healthy work environment, the other is a Cooperation Committee whose purpose is to increase job satisfaction and employee security through improving the cooperation between the management and the employees. All minutes of meetings and Summary of Decisions are internally available for all employees.

For a lot of people it can be a challenge to obtain the perfect work life balance. At Mekoprint we do not have a written policy about this, but we show consideration and flexibility in relation to e.g. work hours, light jobs, senior program, etc. The employee handbook has clear guidelines for sickness, so employees know exactly how to handle this, and often there is shown individual consideration – this helps to create security.

## **> HEALTHY WORK ENVIRONMENT**

There is a direct connection between a healthy lifestyle and a healthy work environment. Health is an integrated part of the Mekoprint culture, and this has led to both a varied salad buffet for lunch and a free homemade vegetable omelet during the morning break. Through the staff association it is possible to get discounts for fitness centres, public swimming pools and an active cultural life. During the past few years, there has been a significant reduction in sick days and sick leave.

## **> SAFETY**

Mekoprint must remain a safe workplace for employees. It is our ambition to have zero accidents and zero employees suffering from stress. We record all accidents and near miss accidents and put efforts into place by implementing initiatives to eliminate the cause of the accident or near miss accident. Several times a year we conduct safety inspections in the production areas and once a year in the administration to take the necessary safety measures and precautions. This is accompanied by biannual safety meetings at all divisions. Mekoprint wants to keep the mental focus on safety in place, so we all work to avoid accidents through initiating the right safety measures in a timely manner. In the production and the administration, we have installed defibrillators and first aid kits. The employees are annually trained in operating the AEDs. In terms of emergency response there are clear guidelines and procedures for preparedness and each location has an emergency response leader.

## **> COLLECTIVE AGREEMENTS**

Mekoprint acknowledges the right to and allow employees freely to organize in legal unions and to take part in collective bargaining. Mekoprint is a member of the Confederation of Danish Industry and in Denmark, Mekoprint's wage-earning and salaried employees are regulated by 'The Industrial Agreement'. The agreement is among others followed in relation to salary, maternity leave, holiday, sickness, termination and industrial injury insurance. Additionally all Mekoprint employees are covered by a pension of 12%, where Mekoprint pays 8% and the employee pays 4%. In Poland and in Hong Kong we comply with all local legislation regarding salaries incl. the statutory pension contributions.

## **> DIVERSITY**

At Mekoprint we appreciate and value diversity and we want to reflect the multiethnic development in society. When we hire people, we are blind to gender, ethnicity, marital status and similar. At Mekoprint we all work on equal terms.

## **> LOCAL COMMUNITY DEVELOPMENT AND INVOLVEMENT**

It is in our DNA to take active responsibility for local community and thereby also for the integration and activation of unemployed. Mekoprint has through many years had a cooperation with job centres in Rebild and Aalborg in getting citizens with different backgrounds in internships and back on the labor market. This has been unemployed academics, citizens with physical injuries, Syrian refugees and challenged youth. As an example we have had two Syrian refugees in internship positions to days a week, while they have attended language classes the other days of the week. Aside from the internship positions, Mekoprint also works closely with several educational institutions from public schools to universities where kids and students get an insight to the company.

## **> AID AND SPONSORSHIP POLICY**

Historically, Mekoprint has supported the local cultural life with, among others, a contribution of 500.000 DKK for the establishment of Musikkens Hus (House of Music) in Aalborg, the annual Rebild Music award, and by having a number of opera performances at Mekoprint with free entrance for local citizens.

Moving forward our support and sponsorships will primarily focus on children and young people's development with an aim to create more sustainable solutions for themselves their surroundings through educational cooperation and general well-being projects. In December 2016, 10 employees donated their optional Christmas present for the Christmas Seal Foundation home. Aside from this Mekoprint supports UNICEF's work with challenged children by sponsoring 10 Euro for each response to our customer satisfaction survey, which contributed to more than 3000 Euro in 2016/2017.

Locally Mekoprint engages both technologically in relation to development of more sustainable production processes and educationally with a cooperation with Aalborg University. We also support, when students from Aalborg University and University College Nordjylland want to use Mekoprint as a case for projects and master thesis projects as well as internships.

Aside from standalone charitable purposes, we strive to give financial aid and support to sustainable innovation and a sustainable local community. Sustainable innovation could include funding of research of new materials and processes of production optimization, minimization of waste and energy consumption etc. The more we can do something proactively for the local community, the closer relations we can link in the local communities where Mekoprint operates.

## > ENVIRONMENTAL- AND CLIMATE IMPACT

*Addresses UN Global Compact principles 7-9*

### > GREEN BUSINESS – GREAT BUSINESS

When we say we fight for a sustainable future we especially have our environmental- and climate impact in mind. In our nature as a manufacturing sub-supplier, we have both an economic and environmental interest in focusing on minimizing our resource consumption.

Mekoprint has always had short- and long term environmental impacts on the agenda, and even more so since our ISO 14001 certification. We constantly strive to minimize our energy consumption by putting up power meters on different machines and areas of the production in order to replace older and less power efficient machines.

Aside from a well-documented and certified environmental control system, our work with ISO 14001 involves a continual reduction of our resource consumption and thereby environmental impact. This is not only great for the environment; this is great for the productivity and the bottom line.

### > SUSTAINABLE USE OF RESOURCES

Our overall goal is to maximize value with a minimum of resources, and we can only achieve that goal if we consistently challenge our resource consumption and optimize wherever it is possible. It is self-evident that producing more with fewer resources is sound business practice. Having a sound approach to business practice has always been a part of our strategy, and since the last 20 years we have been working with this under the name LEAN.

LEAN is in all its simplicity about minimizing waste, and we do that in several areas. When we streamline the administration and manufacturing we save time, energy and materials. This has led to several innovative solutions at the different divisions in Mekoprint. We increasingly produce on fewer, but more automated machines from rolls and coils instead of sheets, which both minimizes energy usage and material waste. Additionally we have since 2012 had a 100% paperless production where all shop orders and work instructions are accessible through iPads. With almost 20.000 orders per year this has saved both the environment and our cost base at a benefit to ourselves and our customers.

## > WASTE & RECYCLING

As far as possible, all waste, at all divisions are sorted and disposed for recycling in the following order.

- 1) Disposal for recycling
- 2) Incineration for heat utilization
- 3) Incineration for disposal
- 4) Disposal for destruction (purely chemical waste through RenoNord)

We receive sample results and have annual security counseling audits by RenoNord on an ongoing basis.

## > KEY FIGURES

The table below shows specific energy key figures for Mekoprint A/S. We strive to be able to get the same level of measuring details and include the results from the other business units: Mekoprint Hong Kong Ltd., Mekoprint Mechanics Hornslet, Mekoprint Polen Sp.z.o.o. and Mekoprint Cables Sp.z.o.o.

Index figures are calculated based on the change in energy use relative to the revenue with basis year 2011/2012. CO<sub>2</sub> emission figures and key figures for these are calculated through Green Networks' manual for environmental statements Key2Green. The key figures are also shown on a divisional basis in appendix 4.

Mekoprint A/S*	11/12	12/13	13/14	14/15	15/16	16/17
<b>Energy Consumption</b>						
- Electricity (MWh)	6.282	5.210	5.567	5.054	5.310	5.443
- Water (M <sup>3</sup> )	11.730	10.202	9.084	8.121	8.592	10.228
- Natural gas (Nm <sup>3</sup> )	251.869	249.201	204.804	218.285	220.362	224.406
- CO <sub>2</sub> emission	2.426	1.630	2.141	1.581	1.118	1.371
<b>Index figures (Energy consumption/Revenue)</b>						
- Electricity (MWh)	100	94	92	86	87	77
- Water (M <sup>3</sup> )	100	87	77	69	73	87
- Natural gas (Nm <sup>3</sup> )	100	99	81	87	87	89
- CO <sub>2</sub> emission	100	76	91	70	47	50

\*Excl. data from Mekoprint Hong Kong Ltd., Mekoprint Mechanics Hornslet, Mekoprint Polen Sp.z.o.o, Mekoprint Cables Sp.z.o.o

## > CSR AMBITIONS TOWARDS 2020

Even though sustainability already is an integral part of our operations, we want to further our work with CSR even more. We can only do that through ambitious goals for the future. We want to maintain and continue our work with our current quality- and environmental certificates, improve working conditions and improve overall employee satisfaction, visualize and develop sustainability in the organization and push suppliers and partners towards more sustainable raw material and cooperation processes. Furthermore, we have an ambition to becoming a CO2 neutral company, reducing our energy consumption and minimize waste.

We are facing a lot of exciting and demanding tasks in order to reach our overall goal of creating a more sustainable future together. But we are very much looking forward to working with precisely these tasks, divided between our 6 key stakeholders.

AREA	FOCUS	2020 TARGET	2018 INITIATIVES
EMPLOYEES	Develop a long term LEAN-culture with high degree of trust, satisfaction and consciousness of our sustainable development focus.	We have a Trust-index score of +96% and sustainable development goals for each employee and team.	<ul style="list-style-type: none"> <li>• HR initiatives according to Great Place to Work process</li> <li>• Increased awareness and follow up on targets for resource usage and environmental impact</li> </ul>
ENVIRONMENT	Ensure an ambitious development focus on resource waste and environmental impact far below enforced legislation.	We are a CO2 neutral company with an annual reduction in energy consumption and waste pr. product area.	<ul style="list-style-type: none"> <li>• Plan for becoming CO2 neutral in 2020</li> <li>• Adjust goals and efforts in relation to reducing energy usage and waste products</li> </ul>
SUPPLIERS	Seek out more sustainable raw material and process optimizations.	We have <b>classified the sustainability level</b> of all supplier products.	<ul style="list-style-type: none"> <li>• Establish sustainable supplier criteria and complete first product evaluations</li> </ul>
CUSTOMERS	Optimize product design and cooperation for lowest long term total resource costs and environmental impact.	We have <b>integrated sustainability in our design- and collaboration process</b> with customer recommendation of +50% NPS.	<ul style="list-style-type: none"> <li>• Evaluate current design processes and competences in relation to sustainability with recommended focus areas for 2018.</li> </ul>
COMMUNITY	Support the development of children and young people with education and development of new knowledge around sustainable solutions.	We are acknowledged for <b>leading educational cooperation</b> and supporting young people with social problems.	<ul style="list-style-type: none"> <li>• Formalize the cooperation with Aalborg University, Tech College, Ønskeland and Christmas Seal Foundation homes.</li> </ul>
FINANCES	Ensure a long term sustainable growth and increasing investments in a more sustainable future.	We have reached our targets for a robust growth company and allocated 5% of our annual profits to increase sustainability.	<ul style="list-style-type: none"> <li>• Allocate and optimize usage of DKK 500.000 to work with sustainability.</li> </ul>

## > APPENDICES

### > APPENDIX 1 – UN GLOBAL COMPACT AND MEKOPRINT

		How we work with the principle	Reference
<b>SOCIAL RESPONSIBILITY</b>		<b>CERTIFICATE: OHSAS 18001</b>	
<b>Principle 1</b>	Businesses should support and respect the protection of internationally proclaimed human rights; and	With our code of conduct and audits, we ensure that our suppliers live up to internationally proclaimed human rights.	Page xx
<b>Principle 2</b>	make sure that they are not complicit in human rights abuses.	We regularly audit our cooperation partners and suppliers to ensure they live up to the signed code of conduct.	Page xx
<b>Principle 3</b>	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	We and all suppliers associated with Mekoprint allow employees and other associated employees to freely organize in legal unions and to take part in collective bargaining.	Page xx
<b>Principle 4</b>	the elimination of all forms of forced and compulsory labour;	Forced labour, bonded labour, interterminal labour contracts or prisoners involuntary labour cannot be used at Mekoprint or our suppliers.	Page xx
<b>Principle 5</b>	the effective abolition of child labour; and	We respect childrens' right to development and education. We have demanded through our code of conduct that our suppliers do the same and that they comply with all local regulations in terms of minimum working age.	Page xx
<b>Principle 6</b>	the elimination of discrimination in respect of employment and occupation.	We and all our suppliers must refrain from discriminating based on personal characteristics in relation to employment, compensation, educational opportunities, promotion, dismissal or severance.	Page xx
<b>Principle 10</b>	Businesses should work against corruption in all its forms, including extortion and bribery.	We expect the highest degree of integrity and honesty in all business activities. We and our cooperation partners must avoid corruption in any form.	Page xx
<b>ENVIRONMENT AND CLIMATE IMPACT</b>		<b>Certificering: DS/EN ISO 14001</b>	
<b>Principle 7</b>	Businesses should support a precautionary approach to environmental challenges;	We and our cooperation partners work continually with reducing waste and pollution of air, soil and water. Chemicals are handled in an environmentally sound way, and hazardous waste are handled, deported and discarded in an environmentally friendly way.	Page xx
<b>Principle 8</b>	undertake initiatives to promote greater environmental responsibility; and	When we publicize our resource consumption and CO2 pollution figures in this report and develop goals and targets to reduce these, we undertake an initiative to promote our greater environmental responsibility.	Page xx
<b>Principle 9</b>	encourage the development and diffusion of environmentally friendly technologies.	We continually work with optimizing our resource usage through digitalization, automation and LEAN, and further work to make our customers' resource usage more efficient.	Page xx



## > APPENDIX 2 – MEKOPRINT A/S CODE OF CONDUCT

### **Introduction**

The Code of Conduct applies to all Mekoprint divisions; including Mekoprint companies located in Poland and Hong Kong, hereinafter referred to as Mekoprint Group.

Mekoprint Group's "Code of Conduct" is a set of ethical rules for the cooperation between Mekoprint Group, its employees and suppliers to ensure that materials and services are produced in such a way that it lives up to Mekoprint Group's objective to act responsibly towards all parties involved. For this reason Mekoprint Group participates in the UN Global Compact ([www.unglobalcompact.org](http://www.unglobalcompact.org)).

For the benefit of both parties Mekoprint Group strives to establish long-lasting cooperation with our suppliers. Constructive dialogues with suppliers are an important part of the conclusion of contracts.

Mekoprint Group has developed a set of ethical rules about its expectations to itself, its employees and suppliers.

### **Mekoprint Group's general requirements for suppliers**

#### *General responsibilities*

Mekoprint Group expects its suppliers to comply with national laws and regulations as well as with the principles expressed in this "Code of Conduct".

It is the supplier's responsibility to ensure that its sub-suppliers are aware of and adheres to the principles expressed in this Code of Conduct. Upon request, suppliers shall inform Mekoprint Group of any sub-suppliers used.

It is the supplier's responsibility to take all necessary and appropriate steps to ensure that Mekoprint's "Code of Conduct" is complied with. It is also the supplier's responsibility to present information and evidence if Mekoprint Group requests this.

#### *Contact*

For general questions about or comments to Mekoprint Group's "Code of Conduct", please, contact Mekoprint Group's sales or purchase department.

#### *Child labor*

Mekoprint Group shall respect children's rights to development and education. Therefore it is not in favor of child labor and does not use children in its workforce. Mekoprint Group expects that its suppliers do not have any employees under the age

of 15 (in some countries under the age of 14 according to the national legislation) or under the compulsory school age in countries, where such age is higher than 15 years.

Young workers in the legal workforce of up to 18 years of age shall be exempted from any form of employment or work, which - in terms of its nature or the circumstances under which it is carried out - may be dangerous to their health, safety or morals.

If it is found that a child performs such work, Mekoprint Group and all suppliers affiliated to Mekoprint Group must act in the child's interest. Any action must improve and not impair the child's situation.

*International Labor Organization R190 & C182.*

#### *Discrimination*

Mekoprint Group and all suppliers affiliated to Mekoprint Group shall fail to discriminate on the basis of personal characteristics in relation to recruitment, compensation, training, promotion, dismissal or resignation.

The use of physical punishment or any other form of mental or physical coercion, disciplinary action and sexual harassment is not allowed.

#### *Forced labor*

Forced labor, debt work, non-cancellable contracts of employment or involuntary labor of prisoners are not allowed.

#### *Working environment*

Mekoprint Group and all suppliers affiliated to Mekoprint Group must provide healthy and safe working conditions and take all reasonable precautions to protect employees against occupational hazards and foreseeable hazardous situations at work. Mekoprint Group and all suppliers affiliated to Mekoprint Group shall comply with all applicable local laws and regulations to avoid accidents and health damage caused by, related to or arisen during work for Mekoprint Group.

Mekoprint Group expects supplier to be continually improving working conditions and reducing occupational risks and hazards, for example, by setting goals and providing necessary and adequate training.

#### *Working hours and wages*

Mekoprint Group and all suppliers affiliated to Mekoprint Group shall not require that employees work more than 60 hours per week, including

*The supplier will confirm in writing that Mekoprint Group's "Code of Conduct" has been received, read and accepted.  
Revised Apr. 03, 2017*

overtime. If local law provides for shorter working hours, such laws must be respected. Employees shall be entitled to at least one day off in every period of seven days.

All laws and regulations on wages and work, including those regulating minimum wages, overtime pay, sick leave, piece-rate and other forms of compensation must be respected.

***The right to organize and to debate commonly***

Mekoprint Group and all suppliers affiliated to Mekoprint Group must allow employees and other staff to organize themselves into legal trade unions and to participate in collective bargaining of their choice.

***Environment***

Mekoprint Group and all suppliers affiliated to Mekoprint Group are expected to comply with local

and international laws. Mekoprint Group and all suppliers affiliated to Mekoprint Group must therefore strive to reduce wastage and the pollution of air, earth and water. Similarly, chemicals shall be handled in an environmentally friendly way and hazardous waste shall be managed, deported and discarded in an environmentally sound and safe manner within the existing legislation.

***Corruption***

Mekoprint Group expects the highest degree of integrity and honesty in all business activities. Mekoprint Group and all suppliers affiliated to Mekoprint Group must avoid any form of corruption, direct and indirect, including extortion, fraud and bribery.

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Revised Apr. 03, 2017*

## > APPENDIX 3 – EMPLOYEE SATISFACTION SURVEY

Focus areas from the Great Place To Work analysis	2014	2015	2016	2017
<b>Clear change management and communication</b>				
The management always inform me about important issues and changes	45%	51%	71%	79%
The management have clear strategies for where the workplace is going, and how it gets there	65%	69%	78%	85%
The management expresses its expectations openly and clear	59%	64%	82%	85%
<b>Well-being and motivation</b>				
My work here has special meaning: this is not 'just a job'	74%	74%	79%	92%
I'm proud to tell others I work here	76%	80%	81%	95%
I want to work here for a long time	74%	83%	87%	94%
All in all I think this is a really good place to work	81%	91%	84%	98%
<b>Individual Development Plan and competence development</b>				
I am offered training or development to further myself professionally	48%	48%	56%	63%
I am given the required resources and equipment to do my job	64%	70%	74%	89%
<b>Non-discrimination</b>				
Employees are treated fairly regardless of age	79%	85%	85%	95%
Employees are treated fairly regardless of ethnicity	87%	91%	93%	96%
Employees are treated fairly regardless of sex	75%	84%	88%	93%
Employees are treated fairly regardless of sexual orientation	88%	94%	92%	97%
Employees are treated fairly regardless of reduced work ability	77%	84%	91%	93%
<b>Trust Index Gennemsnit</b>				
Trust index	66%	74%	77%	89%

## > APPENDIX 4 – DIVISIONAL KEY FIGURES FOR ENERGY CONSUMPTION

<b>Mekoprint Chemigraphics</b>	<b>11/12</b>	<b>12/13</b>	<b>13/14</b>	<b>14/15</b>	<b>15/16</b>	<b>16/17</b>
<b>Energy Consumption</b>						
- Electricity (MWh)	937	932	865	786	876	1.145
- Water (M³)	3.281	3.375	2.786	2.632	3.100	4.743
- Natural gas (Nm3)	83.436	90.337	70.085	71.614	74.152	66.205
- CO <sub>2</sub> emission	371	301	340	254	192	307
<b>Index figures (Energy consumption/Revenue)</b>						
- Electricity (MWh)	100	101	98	91	95	98
- Water (M³)	100	110	89	93	90	64
- Natural gas (Nm3)	100	105	90	87	96	116
- CO <sub>2</sub> emission	100	82	97	74	53	66

<b>Mekoprint Mechanics</b>	<b>11/12</b>	<b>12/13</b>	<b>13/14</b>	<b>14/15</b>	<b>15/16</b>	<b>16/17</b>
<b>Energy Consumption</b>						
- Electricity (MWh)	3.538	2.709	3.038	2.705	2.829	2.442
- Water (M³)	5.901	4.438	4.241	3.810	3.919	3.578
- Natural gas (Nm3)	71.953	48.993	56.817	55.707	56.490	50.905
- CO <sub>2</sub> emission	1.352	831	1.157	834	583	635
<b>Index figures (Energy consumption/Revenue)</b>						
- Electricity (MWh)	100	93	89	86	78	61
- Water (M³)	100	83	82	87	77	63
- Natural gas (Nm3)	100	91	74	73	65	54
- CO <sub>2</sub> emission	100	75	89	70	42	42

<b>Mekoprint Graphics</b>	<b>11/12</b>	<b>12/13</b>	<b>13/14</b>	<b>14/15</b>	<b>15/16</b>	<b>16/17</b>
<b>Energy Consumption</b>						
- Electricity (MWh)	831	722	657	582	562	589
- Water (M³)	810	794	787	629	598	628
- Natural gas (Nm3)	43.624	41.686	34.139	33.960	27.146	36.072
- CO <sub>2</sub> emission	323	227	255	184	119	158
<b>Index figures (Energy consumption/Revenue)</b>						
- Electricity (MWh)	100	104	95	87	98	103
- Water (M³)	100	115	94	97	90	120
- Natural gas (Nm3)	100	118	116	96	107	113
- CO <sub>2</sub> emission	100	84	94	71	53	71

Mekoprint Electronics	11/12	12/13	13/14	14/15	15/16	16/17
<b>Energy Consumption</b>						
- Electricity (MWh)	976	847	1.007	981	1.043	1.268
- Water (M³)	1.738	1.595	1.270	1.050	1.080	1.279
- Natural gas (Nm3)	52.856	68.185	43.763	57.004	62.574	71.224
- CO <sub>2</sub> emission	380	271	389	310	223	271
<b>Index figures (Energy consumption/Revenue)</b>						
- Electricity (MWh)	100	92	100	97	103	102
- Water (M³)	100	137	80	104	114	106
- Natural gas (Nm3)	100	98	71	58	60	58
- CO <sub>2</sub> emission	100	76	99	78	56	56

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