

MENETA GROUP

COMMUNICATION ON PROGRESS 2021



COMMUNICATION
ON PROGRESS



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

Statement of continued support

I am pleased to confirm that Meneta Holding A/S reaffirms its support of the Ten Principles of the United Nations Global Compact within the areas of Human Rights, Labor, Environment, and Anti-Corruption.

In 2019, Meneta Holding joined the UN Global Compact to improve and state the initiatives for sustainable performance in the company. We are committed to taking action, and we strive to improve with the UN Global Compact Principles as fair guidelines.

In 2020, one of Meneta Holding's subsidiaries invested in brand new, state-of-the-art, environmentally friendly production lines allowing the company to pioneer a new approach. Equally, the group started to change its energy supply to power our plants with green energy – a project that will be rolled out for all entities in coming years.

As a group, we continue to pledge to the integration of the principles and to extend those to every part of the organization, resulting in all subsidiary companies under the Meneta Holding A/S umbrella complying with the principles on equal terms as the parent company.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture, and daily operations.

We also commit to continue to share this information with our stakeholders using our primary channels of communication.

Sincerely Yours,



Kim Oestergaard
Group CEO



Human rights

Within the Meneta group, respecting human rights is a fundamental principle of our daily business. We ensure that all employees are familiar with the human rights standard and have acknowledged their commitment by signature.

Being in the automotive industry, our quality management system is the core of our activities. In this system, we have implemented procedures in our Code of Conduct and Staff Handbook to ensure that we work with the Universal Declaration of Human Rights in all our organizations. Independently from gender or ethnical origin, we positively support our employee's rights.

In 2020, we have established a new sustainable agenda. As a result, special efforts have been made to work with the 17 Sustainable Development Goals at our headquarter and Danish sites. An output from this process has been the initiation of a project which will ensure our suppliers' commitment to human rights principles, along with other sustainability parameters, internationally. This new project will be implemented in 2021.

Internationally, we continue to unfold our activities through a risk assessment approach. At this point, Meneta has made commitments to ensure a safe and healthy working environment for all employees, with a focus on minimizing risk of harassment of all kinds.

Our key associated SDGs for 2021:

TARGET 5-1



5 GENDER EQUALITY

END DISCRIMINATION AGAINST WOMEN AND GIRLS

TARGET 5-C



5 GENDER EQUALITY

ADOPT AND STRENGTHEN POLICIES AND ENFORCEABLE LEGISLATION FOR GENDER EQUALITY

TARGET 10-3



10 REDUCED INEQUALITIES

ENSURE EQUAL OPPORTUNITIES AND END DISCRIMINATION

TARGET 16-B



16 PEACE, JUSTICE AND STRONG INSTITUTIONS

PROMOTE AND ENFORCE NON-DISCRIMINATORY LAWS AND POLICIES



Labor

In Meneta Group's ethical policies, we have made a commitment to ensure that all labor is paid a wage compliant or better than the national minimum standard wage.

We do not in any way hire or condone child labor, nor do we utilize bonded or forced labor in our group organizations. In 2020, our reviews have not indicated the need for any corrective actions on this subject.

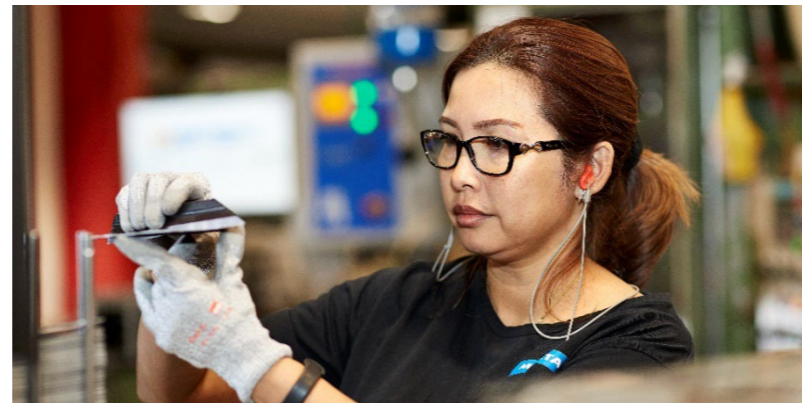
We encourage our employees to take part in external or internal education via our training programs. All our organizations have tailored their training programs to suit their individual group of employees and activities. In 2020, Meneta has made an effort to maintain pre-planned training programs despite Covid-19, to great satisfaction for our employees.

The variety of Meneta's global activities allows us to open our doors to a broad range of students. In 2020, Meneta proudly participated in the education of university students, PhD students and college graduates, along with assisting apprentices finalizing their practical assessments in our Danish tool shop.

At Meneta, we believe that a safe workday is a fundamental human right. As a result, we also use our established risk assessment system to evaluate safety risks periodically. This system allows us to continuously improve and ensure the safety of our employees. In 2020, a part of our employee safety efforts has been focused on ensuring our employees' health during Covid-19. Meneta Group has introduced a range of sanitation initiatives and procedures to eliminate any risk of spread of infection.

On a final note, our Danish organizations have had great success in 2020 with opening our doors to citizens with health challenges, to help them define their workability. We will continue with this project in 2021.

Our key associated SDGs for 2021:



Environment

In 2020, Meneta Group has introduced a new ambitious sustainable agenda. We have assigned and earmarked resources to take actions in our work with decreasing our environmental footprint and support the global sustainable agenda.

Our “green transformation” has already resulted in various new initiatives. These initiatives include the previously presented work with the SDGs. Meneta’s work with the SDGs is holistic, global, and follows our risk assessment mindset. In general, risk assessments will be the guiding principle when developing our new sustainable agenda. We want to focus our efforts and target areas where our actions will have the most significant impact.

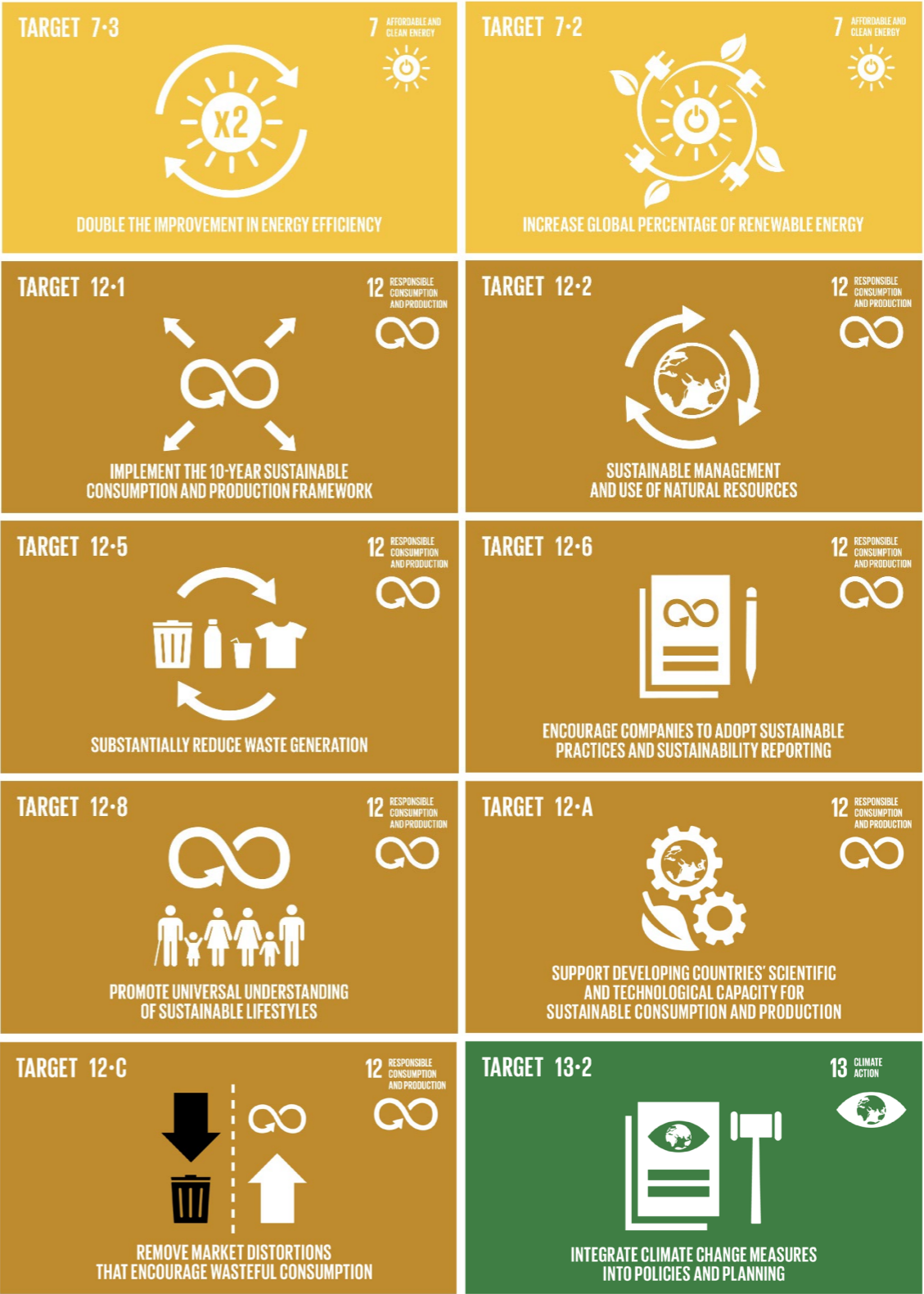
Our sustainable agenda emanates from our Danish headquarters. Thus, many of our current projects arises from our Danish organizations. The objective is to share best practice and “lessons learned” with the entire group

Meneta believes that the focus of the automotive industry should not only be on securing a low environmental footprint in the cars’ usage phase. We believe each part must result from sustainable productions with respect for the environment. Therefore, a carbon footprint is currently being calculated for our Danish organizations, to define the direction of our future environmental work.

Meneta cannot stop the climate crisis alone. Consequently, environmental initiatives are being presented to our supply chain and we actively ask our suppliers and partners to embark their green transformation.

Furthermore, we involve employees in our new sustainable agenda through projects and newsletters, and by communicating our efforts publicly. We share information, ambitions and results on our website and LinkedIn.

Our key associated SDGs for 2021:



Anti-corruption

In Meneta Group's ethical policies, we have made a commitment to ensure that we in no way take part in any corruption.

Being in the automotive industry, our quality management system is the core of our activities. In this system, we have implemented in our Code of Conduct and Staff Handbook that all employees commit to anticorruption and anti-bribery. These procedures are periodically reviewed.

We ensure that all employees are familiar with these principles and have acknowledged their commitment by signature.

In 2020, our reviews have not indicated the need for any corrective actions.

Our key associated SDGs for 2021:



Measurement of outcomes

At Meneta Group, we want to move responsibly towards a sustainable future. We continuously work to detail the processes supporting our sustainable agenda. The agenda is based on a risk assessment approach in which we can measure our progress through data such as our carbon footprint records.

However, at Meneta we firmly believe that sustainability goes beyond concern for the environment. We want to evaluate how we can make the greatest impact through a risk assessment in all our international organizations. Consequently, we have chosen for 2021 to base our measurement outcomes on parameters associated with the SDGs.

Relevant indicators

Human rights:

- Number of global non-discriminatory policy initiatives (SDG 16)
- Number of global policy initiatives for gender equality (SDG 5)
- % of women in top management (SDG 5)
- % of ethnical diversity in the workforce (SDG 10)
- % of group organizations that have documented actions to validate compliance to Meneta's ethics policies (SDG 16)

Labor rights:

- % of employees who are members of the employee association (SDG 8)
- Number of initiatives suggested from the employee associations that have been implemented (SDG 8)
- % of employees who have participated in educational training (SDG 8)
- % of group organizations that have documented actions to validate their risk assessments of a safe working environment (SDG 8)
- Number of accidents (SDG 8)

Environmental actions:

- Estimated amount of CO2 decrease, derived from the Carbon Footprint 2021 (SDG 13)
- Number of public statements and reports published to promote universal understanding of sustainability (SDG 12)
- % of group organizations that have implemented a management system taking environmental impacts into consideration (SDG 12)
- Number of technical projects transferred from Danish sites to other group organizations (SDG 12)
- % of each group organization's BOM suppliers that are able to deliver sustainability reports (SDG 12)
- % recycled waste (SDG 12)
- % of electricity from renewable energy (SDG 7)
- Total kWh saved due to improvements in energy efficiency (SDG 7)

Anti-corruption actions:

- Number of international suppliers placed in high-risk corruption countries (SDG 16)
- Number of initiatives suggested to ensure anti-corruption actions (SDG 16)