

COMMUNICATION ON PROGRESS (COP) 2021/2022

STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER

To our stakeholders:

I am pleased to confirm that Abena reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. This is supported by our production being SMETA and ISO 45001 certified.

At Abena we continuously want to contribute to minimize the impact on the environment. Therefore our production for diapers is ISO 50001 certified and several divisions are ISO 14001 certified.

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 sharing this information with our stakeholders using our primary channels of communication. Abena products are sold around the world through a wide distribution network of subsidiary companies and specialist distributors. Abena has been an active part of the UN Global Compact initiative since 2002 and our support is unchanged.

ABENA commits to a sustainable future

Sustainability is not new to ABENA. For the last 30 years, sustainability has been part of our daily business. We were the first manufacturer of incontinence and baby diaper products to attain the Nordic Swan Ecolabel.

Today, we have more than 25 years of experience with the Nordic Swan Ecolabel, and we have a goal that 70% of all our own active item number shall have an eco-label at the end of 2030.

Going forward, our work with sustainability and our 2030 commitments will activate all aspects of our organization; from raw materials to responsible production methods, products, packaging, and logistics.

But we also want to continue supporting our customers with succeeding with their sustainability goals.

We are also sharing our years of experience with the European Union, just as we collaborate with and act as knowledge sharing partners to different public entities.

Sustainability is not a project with a start and an end date, but a part of our DNA.

We look forward for all employees of Abena to be part of our continued journey towards a more sustainable future.

Sincerely yours,



Preben Terp-Nielsen, CEO

The Abena group is a Danish family-owned company, with a strong and inspiring company culture giving ethics, environmental concern and a solid business acumen pride of place. Abena is among the market leaders in the protective healthcare industry dealing in both trading and production. Our product range covers disposable products such as a wide variety of incontinence products, including baby diapers, sanitary towels and other healthcare-related disposable goods, paper products, plastic bags, nursing products and waste systems. Abena moves the limits for new products and markets through a continuous product development. The focal point being the users' needs and wishes in regard to resources and environmental impact. Therefore, we develop new methods based on the users' needs and involve the users in the development of new innovative products.

This report will be available via www.unglobalcompact.org.

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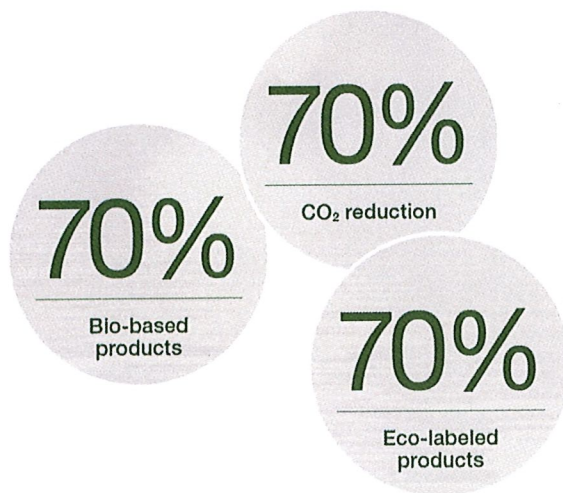
Sustainability targets



Why did we choose these goals?

- SDG 7:** "The majority of our CO₂ emissions comes from energy consumption"
- SDG 8:** "We source from the whole world and in that way, we can directly affect thousands of jobs"
- SDG 12:** "Single-use items are our core competence, and they are currently not designed for a circular world yet"
- SDG 15:** "When choosing products and their materials, we have a special responsibility to safeguard the planet."

Climate Goals



"Before 2030, we will achieve a CO₂ reduction of 70% compared to 1990. "

"Before 2030, 70% of our own active item numbers must have an eco-label. It has to be the product itself. "

"Before 2030, 70% of our own active item numbers must contain bio-based/recycled content (>50% bio-based/recycled content)



DESCRIPTION OF ACTIONS

Global Compact Principle		Actions Taken & Impact Achieved in 2021/2022 and plans for 2022/2023	
Human Rights	1: Businesses should support and respect the protection of internationally proclaimed human rights;	<p>Commitment:</p> <p>Abena supports the international declared human rights. We do not discriminate against any person, regardless of race, sex, colour or religion. Our common work culture consists of 7 values, one of them being that "We are aware of our social responsibility". The 7 values are our commitment as to how the entire Abena group functions.</p> <p>System & activities:</p> <ul style="list-style-type: none"> We aim to secure employees with reduced working capacity for various social or physical reasons by creating an easier, less pressurised working environment and job flexibility. Our "flexible department" comprises of employees who might, at a later date be transferred to fully functioning ordinary jobs by means of work test trials, on the job training, rehabilitation and trainee agreements. Abena Produktion is SMETA certified. This in order to externally validate that our factory as well as our suppliers are socially responsible and does not violate any human rights. Our sourcing company Abena A/S has a close collaboration with amfori BSCI to help monitor that no human rights are violated in the supply chains. The hiring procedures in the group is facilitated in a way that ensures no discrimination and that our staff is representative to the local communities in which we operate. <p>Outcome:</p> <ul style="list-style-type: none"> The composition of Abena employees reflects the composition of the local communities in which we operate. Abena Produktion passed the SMETA audit without any non-conformities. As a result of the BSCI partnership, 94% of Abena A/S suppliers have signed or otherwise supported the amfori BSCI Code of Conduct. <p>Next year:</p> <ul style="list-style-type: none"> It has been decided that the Abena Group until 2030 will put special emphasis on contributing to Sustainable Development Goal no. 8 'Decent work and economic growth', partly because we due to our extensive value chain have the ability to impact a multitude of jobs on a global level. The specific contributions towards SDG 8 is yet to be decided. We will continue our support to international social responsibility certifications. We will continue our focus on not discriminating against any person, regardless of race, sex, colour or religion. We are working on a global policy for us and all our subsidiaries. 	
	2: and make sure that they are not complicit in human rights abuses.		
Labour	3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	<p>Commitment:</p> <p>We take working conditions extremely seriously, in fact, 4 out of our 7 culture values are centered around the working environment, namely; 'We attach the highest priority to the safety of our employees' 'Work should be fun' 'Education is essential to enable continued growth' & 'Information is important'</p>	
	4: the elimination of all forms of forced and compulsory labour;		



	5: the effective abolition of child labour;	We seek to avoid any discrimination in the recruitment process and in the workplace. Furthermore, we respect the fact that all jobs within the company are meaningful and relevant.
	6: and the elimination of discrimination in respect of employment and occupation.	<p>We actively support our employees right to collective bargaining and freedom of association.</p> <p>We disassociate from all forms of forced, compulsory and child labor.</p> <p>System & activities:</p> <ul style="list-style-type: none"> Abena Produktion holds a ISO 45001 certificate, to externally validate our extensive systems for occupational health and safety. Abena Produktion holds a SMETA certificate that testifies that neither we nor our suppliers support compulsory, forced or child labor. We work consciously within our safety department and safety groups to form a comprehensive safety system and to develop a happier and more secure working environment; this includes areas such as ergonomic work stations, in-house gym facilities, massage facilities and membership of the eclectic social club. We encourage all employees to take a free health check minimum every 3 years and we offer a voluntary health insurance at a very good prize. Our physiotherapist visits all employees and advises them on good working behaviour. This has created synergy and enhanced focus on safety, health and wellbeing. The focused work with BSCI from Abena A/S ensures safe working conditions throughout our value chain. <p>Outcome:</p> <ul style="list-style-type: none"> Abena Produktion A/S continues to be ISO 45001 and SMETA certified. The Danish Authorities have awarded Abena Produktion the highest official rating available in this area – The crown smiley. As a result of the BSCI partnership, 94% of Abena A/S suppliers have signed or otherwise supported the Amfori BSCI Code of Conduct. <p>Next year:</p> <ul style="list-style-type: none"> We have a strategy and vision to bring our work accidents to 0. It has been decided that the Abena Group until 2030 will put special emphasis on contributing to Sustainable Development Goal no. 8 'Decent work and economic growth', partly because we due to our extensive value chain have the ability to impact a multitude of jobs on a global level. The specific contributions towards SDG 8 is yet to be decided. We will continue our support to international social responsibility certifications. We will continue our focus on not discriminating against any person, regardless of race, sex, colour or religion.
	7: Businesses should support a precautionary approach to environmental challenges;	Commitment: At Abena we recognize our environmental responsibility and try to put nature first in our day to day operations. One of our 7 culture values is that 'Our impact on nature should be limited as much as possible'.
	8. undertake initiatives to promote greater environmental responsibility; and	At Abena, the words "environmental concern" inspires action, not just words. It is one of the main areas of focus in our strategy. To walk the talk we have set 3 environmental commitments to be reached within 2030, our climate goals;
Environment	9. encourage the development and diffusion of environmentally friendly technologies.	<ul style="list-style-type: none"> 70% reduction in CO₂ emissions 70% eco labeled products 70% bio based/recycled products

**7 AFFORDABLE AND
CLEAN ENERGY**



**12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION**



**15 LIFE
ON LAND**



System & activities:

- In order to reduce our energy consumption and hence our emissions, Abena Produktion is ISO 50001 certified, testifying the validity and magnitude of our work with energy management.
- As a mean to externally validate our continued work to reduce our impact on the environment, both Abena Produktion, Abena A/S, Finess and Abena Frantex holds and maintains individual ISO 14001 certifications, that a third party regularly audits.
- A high degree of our product portfolio is environmentally certified with either the Nordic swan, ecolabel, cradle to cradle or FSC. The work with ensuring more and more certified products is an important factor across the Abena group and has been for a long time. In fact we have pioneered this area by having the first eco-labelled diaper.

Outcome:

- Through a strengthened focus on sustainability the 3 climate targets mentioned above have been approved for the entire Abena group.
- More own subsidiaries shall have a ISO 14001 certifications
- At Abena we keep an environmental balance to constantly know our impact on the environment changes and to be sure to use our efforts where the environment benefits the most.
- Environmental ambassadors as well as sustainability groups have been started across the entire organization to strengthen ownership of the new and strong sustainability agenda.
- Energy usage in all of our own factories is now covered by renewable energy.
- Energy usage at all Danish facilities is now covered by wind energy.

Next year:

- Through a focused work with the sustainable development goals, it has been decided that Abena group will focus strongly on contributing positively to;
 - SDG 7 'Affordable and clean energy' – Because a great part of our CO2 emissions stem from the energy usage in our factories.
 - SDG 12 'Responsible consumption and production' – Because most of our products are single-use items, we have a special responsibility to ensure that they are in fact sustainable to use.
 - SDG 15 'Life on land' – Because with a stronger focus on bio-based single use products, we have a special responsibility to ensure that the production of these natural resources does not harm the ecosystems.
- Global KPI's are set and will end up into a global CSR report at the end of 2022

10: Businesses should work against all forms of corruption, including extortion and bribery.

GOT ETHICS

- At Abena we do not accept any kind of corruption.
- We do not use bribe or extortion in any way.
- Whistle blower: at Abena, we take our social presence seriously. Therefore, we give our employees, business partners, and others connected to ABENA the opportunity to report any suspected unethical conduct, such as financial crime, a serious breach of safety at work, physical violence, intimidating behaviour, or sexual harassment. To support our work against corruption we have a partnership with Got ethics A/S
- All presents from suppliers are handed in to the management in order to be used as gifts at the New Year's lottery. This divides the presents evenly among employees and does not favour those with many external contacts. Furthermore, the lottery on presents helps the purchase department to be objective when evaluating offers of raw materials.

Suppliers and partners

Abena products are sold all around the world through a wide distribution network of subsidiary companies and specialist distributors. Bearing this in mind, Abena have proactively suggested and strongly recommend to suppliers and business partners alike that they should live up to and participate in the 10 principles as outlined by the 'UN Global Compact' initiative. We encourage our internal and external customers to participate in the initiative in order to make it an all-encompassing success.

