



2020
SUSTAINABILITY
REPORT

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About Mirka

Mirka Ltd is a global company and part of the family-owned KWH Group Ltd. Mirka's business idea is to offer world leading surface finishing solutions. Our business focuses on our customers' needs.

We offer a wide range of solutions for surface finishing and precision sanding and we specialize in total solutions in which our abrasives are supplemented by our innovatively designed machines and polishing compounds.

Approximately 97 % of Mirka's production is exported, with products being sold in over 100 countries. The company's typical customers are, among other things, manufacturers of wood products, automotive manufacturers, and subcontractors, as well as the construction and renovation industry and the composite industry.

For over than 75 years, our brand has paved the way for technical breakthroughs in surface finishing, and we continue to shape the industry with our expertise. We follow our company values by being responsible, committed, innovative and respectful. We offer our customers sustainable solutions that consider the financial,

health, technical and environmental aspects.

Our Vision

"We wish to reach a market position, where customers and interested parties see us as a market leader and the most responsible company who drives innovation in our core business sectors."

Our Mission

"We want to give people the opportunity to perform better".

Our Values

Responsible - For all results & resources. Ethical business practice. Structured and well organised. Cost-aware.

Committed - Keep our promises. Close to the customer. Dedicated to high performance. Passionate people.

Innovative - Open to new ideas. Continuously seeks to improve. We create solutions that are good for us, our customers and society as a whole.

Respectful - Every individual is valuable and can contribute. Open work environment. Warm and genuine. Fair.

Our Organisation

Mirka's long-term group strategy

serves as the basis for the group's comprehensive business plan, which is drawn up annually and approved by Mirka's Management Team and the Board of Directors. All business and factory units are involved in drawing up the business plan. Department-level goals are set based on the business plan. The management team for the parent company Mirka Oy has one employee representative.

Our Company Culture

At Mirka we understand that every job has its own unique requirements, which is why we work closely with customers to provide tailored solutions that precisely meet their needs.

After gaining a clear understanding of exactly what each customer requires, our technical customer support specialists recommend high-quality products, processes, and training that ensure that successful results can be achieved at every step of the operation.

Sustainability is built into The Mirka Way. When the system is set up with all the right parts and customers have all the information needed to get great results, then their work is more sustainable.

Our Clean Commitments

In this Sustainability Report, we have compiled our economic, environmental, and social initiatives and achievements under "Our Clean Commitments".

Under these topics, we describe the development of our corporate sustainability transparently with various KPIs.

Association membership

EPTA
F.E.P.A.
Finnsecurity r.y.
Henkilöstöjohdon ryhmä - Henry r.y.
IBC Finland r.y.
ISA
Kemianteollisuus r.y.
Nollis-foorumi
Nykarleby Företagare r.f.
Puuteollisuusyrittäjät r.y.
Rasi r.y.
Suomalaisen Työn Liitto
Suomen Laatu yhdistys
Suomen Riskienhallintayhdistys r.y.
Suomen Tekstiiliteknillinen Liitto r.y.
Veronmaksajain Keskusliitto r.y.
Västra Nylands Handelskammare
Österbottens Handelskammare

Corporate governance

We continuously aim to improve our work with stakeholders and maintain high ethical standards in all our operations. These efforts are supported by Mirka's corporate governance and ethical guidelines for all group personnel. Mirka's corporate governance creates a consistent framework for the entire group's global operations, thereby enabling open and reliable local operations. The Board of Directors reviews and updates the corporate governance materials on a regular basis. In addition, the company's ethical guidelines instruct our employees to work in a way that does not create personal obligations to outsiders. These ethical guidelines are part of the induction process for new employees and training is arranged regularly.

Significant stakeholders

Our stakeholders are defined based on how our business operations affect them and how their activities impact the development of our business operations. Mirka's most significant stakeholders are the customers, owners, employees, suppliers, and service providers.

Stakeholder engagement

We believe in sustainable and honest stakeholder engagement, and our objective is to maintain a continuous and active dialogue with our partners.

In stakeholder engagement, we utilize our Enterprise Resource Planning (ERP) and Customer Relationship Management (CRM) systems. Our CRM system enables a customer-oriented approach where sales operations and sales planning are managed using the system. This helps us to better develop our customer relationships and respond swiftly to any customer needs. Systematic planning of our sales operations also optimises our travel, which enables us to reduce our environmental impact.

The CRM system is also essential in terms of quality management. The system enables us to work systematically on any issues related to quality, the environment, health, and safety and involve our customer in our development process, for example, when developing new products and solutions.

Digital systems also enable increasingly paperless office work. The Mirka intranet, for example, plays an important role here. It makes all internal information and instructions available in digital format to personnel, regardless of where their workstation is located.

Certification of subsidiaries

Since 2020 all Mirka's subsidiaries are ISO 9001 certified.

Anti-corruption

Anti-corruption training is given to all new employees in Finland. During the reporting period, we received no reports of corruption involving our personnel or our business operations.

Collective bargaining agreements

100% of employees are covered by collective bargaining agreements. As an employer, we follow Kemianteollisuus ry's (The Chemical Industry Federation of Finland) collective bargaining agreements with trade unions Pro, YTN and Teollisuusliitto. Pro, YTN and Teollisuusliitto have their own representatives in negotiations between employer and personnel.

No discrimination

During the reporting period, we received no reports of discrimination.

Child labour

When auditing suppliers Mirka always check the minimum employment age to avoid using child labour

Global Mirka



- Sales offices**
Denmark, Norway, Estonia and Belgium
- Markets served**

All Mirka's subsidiaries, production facilities and sales offices are fully owned by Mirka Ltd. Mirka's 17th subsidiary Cafro MCF (Italy) was established in June 2017. Cafro is a leading manufacturer of Diamond and CBN wheels as well as PCBD and PCBN tools. The 18th subsidiary, Mirka Belgium Logistics in Opplabbeek, was established in January 2018 for stock-keeping operations.



- Subsidiaries**
- Mirka Brasil Ltda. (Brazil)
- Mirka Belgium Logistics (Belgium)
- Mirka Canada Inc (Canada)
- Mirka Trading Shanghai Co., Ltd. (China)
- Mirka France Sarl (France)
- Mirka GmbH (Germany)
- Mirka (UK) Ltd (United Kingdom)
- Mirka India Pvt Ltd (India)
- Mirka Italy s.r.l. (Italy), Cafro MCF (Italy)
- KWH Mirka Mexicana, S.A. de C.V. (Mexico)
- Mirka Rus LLC (Russia)
- Mirka Scandinavia AB (Scandinavia)
- Mirka Asia Pacific Pte Ltd (Singapore)
- KWH Mirka Ibérica S.A.U. (Spain)
- Mirka Turkey Zimpara Ltd Şirketi (Turkey)
- Mirka USA Inc. (USA)
- Mirka Middle East FZCO (United Arab Emirates)



Our most well-known brands

Our most well-known brands Abranet®, Autonet®, Abralon®, Mirka® DEOS, Mirka® DEROS, Mirka® LEROS, Mirka Iridium®, Mirka Novastar™, Gold, Mirlon Total®, Polarshine®, myMirka®, Q.Silver®, Net by Mirka and Dust-free sanding

An overview by our CEO

Long-term sustainable development has always been an important and natural part of Mirka's business. It is an integral part of Mirka's vision: ...to be seen by customers and interested parties as the most responsible company. This vision of sustainability is expressed in our Clean Commitments.

This means that we strive to manage all parts of our operations and manufacturing with as little impact on the environment as possible and ensure that using our products improves ergonomics for end users and facilitates a healthier work environment.

When considering the environment, our goal is to develop environmentally friendly manufacturing processes and use sustainable raw materials. A good example of the latter is our water-based polishing compounds which are better for users and the environment than solvent-based compounds.

We have a policy of sourcing raw materials, components, and services locally when possible, and great care is taken in auditing and approving all suppliers. We are only as sustainable as our whole network is together. Mirka's factories in Finland are in

the countryside, and we continue to invest heavily in our world-class facilities. Not only are we proud of our capabilities and technology, but we are also proud to contribute greatly, both directly and indirectly, to keeping the countryside alive and thriving.

The cornerstones for our customers are of course our dust-free sanding solutions and ergonomic tools. This is one of the keys in sustainability, to extend the benefits all the way to the users of our solutions, to enable them to work safer, more effectively and wasting less resources.

Health and ergonomics, naturally, also apply to our employees here at Mirka. Over the past years, there has been substantial investment in Health and Safety development and ergonomics, for example, continuously improving Power Tools assembly workstations. For years, our zero-accident policy has led us to continuously improved occupational safety and well-being in the company towards world-class levels.

It is an exciting time for sustainable development. The EU Green Deal really is engineered to support a strong green transformation, and a lot of investments will be channelled

to enable even bigger and faster steps of development. Mirka is a founding member of the Sustainable European Abrasives Manufacturer (SEAM) program, where the whole abrasives industry in Europe comes together to lead an even stronger sustainable development.

Right now the whole world is struggling under the COVID-19 pandemic. Historically there has unfortunately been a trend to prioritize sustainability less in times of economic hardship and crises, but this time I feel it is different. The EU Green Deal and a green and digital transformation will be integral parts of the recovery programs in Europe. I hope there will still be the strong will and capability to carry this through, as the environment is in an even bigger crisis.

Details on the topics mentioned here and much more can be found in this Sustainability report. All in all, we feel that we are following our vision of being the most responsible company in our industry. We are proud of our achievement, but also humble regarding future challenges for creating a more sustainable world. We are committed to doing our part!

Stefan Sjöberg, CEO



The Mirka Way and Our organisation

Our Company Culture

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Structured and well organised.
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Innovative

Open to new ideas.
Continuously seeks to improve.
We create solutions that are good for us, our customers and society as a whole.

Committed

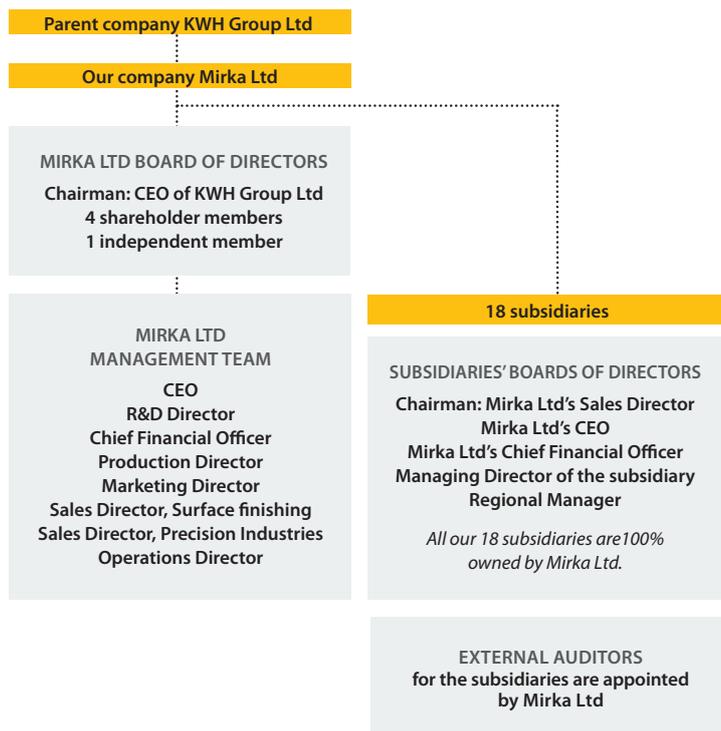
Keep our promises.
Close to the customer.
Dedicated to high performance.
Passionate people.

Respectful

Every individual is valuable and can contribute.
Open work environment.
Warm and genuine.
Fair.

Our organisation

Mirka’s long-term group strategy serves as the basis for the group’s comprehensive business plan, which is drawn up annually and approved by Mirka’s Management Team and the Board of Directors. All business and factory units are involved in drawing up the business plan. Department-level goals are set based on the business plan. The management team for the parent company Mirka Oy has one employee representative.



Success driven by people

Automation calls for continuous training of the personnel

Mirka puts great effort into personnel training, which has become increasingly important. New skills are needed as manual work is replaced by automated processes.

Mirka has always been committed to training its personnel. In recent years, however, training has become even more important. As more and more processes are automated and digitalised, there are constantly lots of new things to learn. At the same time, focus has shifted from routine manual work towards knowledge and expertise work.

“We really put great effort into training. In addition to training our current employees, we are also constantly hiring new employees to get the right kind of expertise to Mirka”, explains **HR Manager Ulla Kauppi**.

Generally, Mirka employees are nowadays required to have completed at least a secondary education.

Committed to training.

In 2020, Mirka’s white-collar workers received an average of 52 hours of training, while blue-collar workers

were trained at an average of 16 hours. Despite being on this high level, the numbers dropped a bit compared to previous years because it was harder to organise training during the pandemic.

“In 2020, we were able to train especially white-collar workers, as their training is easier to organise online. Naturally, some of the training was related to the new situation caused by the pandemic. For example, managers had to learn how to lead remotely”, says Kauppi.

Development discussions each year

In addition to training, Mirka employees also participate in development discussions each year with their supervisors. Normally, these discussions take place face-to-face, but during 2020, some discussions were held remotely.

“We have instructed the supervisors to pay extra attention to how the new situation has affected employees. Remotely, it is harder to detect if somebody is not feeling well.”

The main idea of the development discussions is that the employee and the supervisor sit down together to

discuss the employee’s work situation and the things he or she perhaps wants to change.

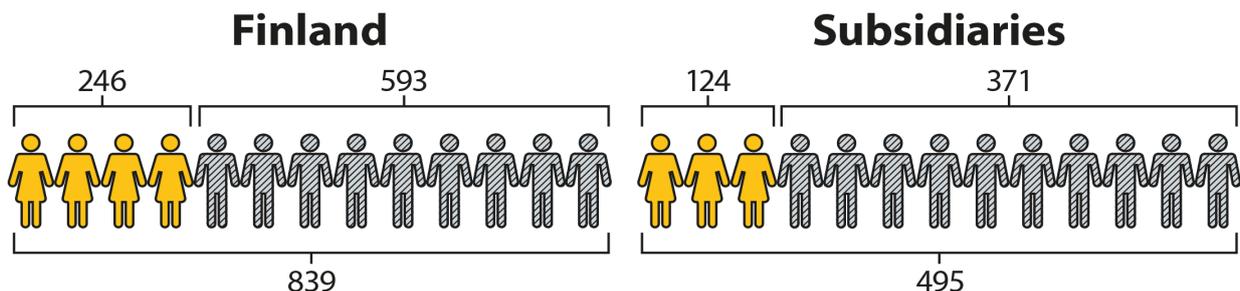
Remote work is here to stay.

Before the corona pandemic, remote work was not that common at Mirka. Ulla Kauppi estimates that remote work is here to stay, even after the pandemic ends. Working remotely from home has gone very well for most people, but there are also challenges.

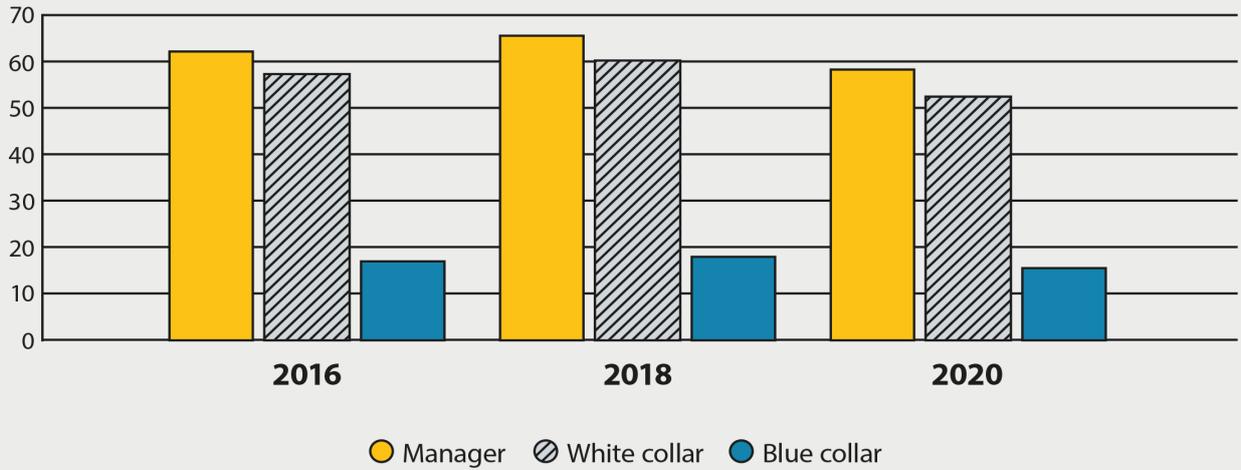
“People need social interaction and want to meet their colleagues. We can also see that interaction between different units at Mirka is not as intense as it was before, which is a shame. I therefore think that some kind of a hybrid model would be ideal in the future, where people can work from home some of the time, but not all week.”

Employees 2020

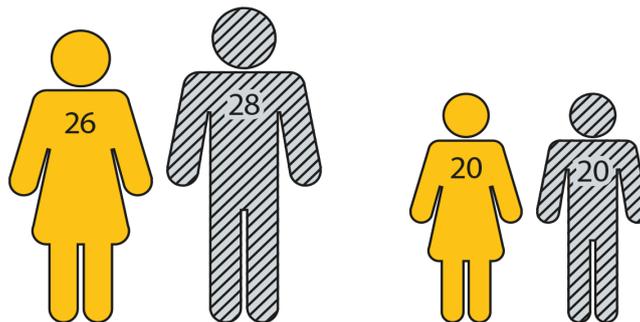
Employees Female/male



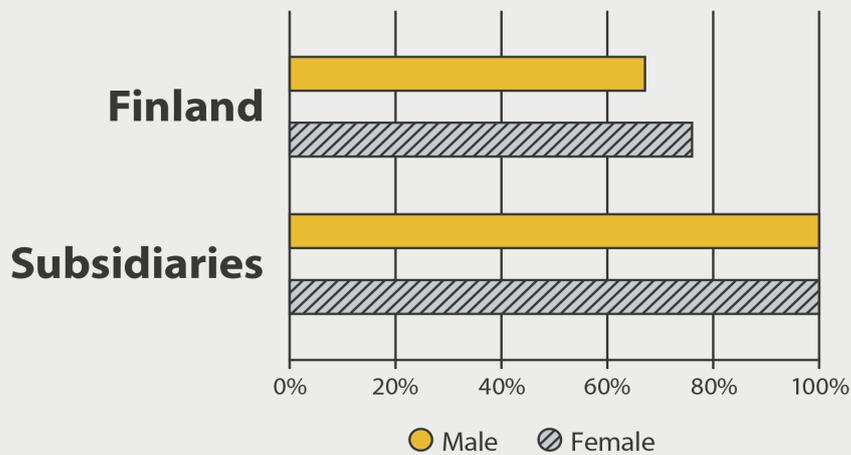
Training hours per employee group



Workforce training hours per person per year



Employees receiving appraisal and performance reviews



Investments in safety and wellbeing at work pay off

Safety and wellbeing at work have for a long time been top priorities for Mirka. The consistent and methodical work has resulted in low accident and sick leave rates.

When a new employee starts at Mirka, he or she undergoes a very thorough and extensive safety training. Employees in production get an occupational safety card that needs to be renewed every five years. These are just a couple of examples of how Mirka takes safety issues very seriously. In recent years, even more focus has been put on safety, as it is also part of Mirka's strategy. This means that the whole company, including the management, is committed to safety work.

Safety issues are reported

Mirka also has a system, where anybody can report safety issues. "We get a lot of reports, which proves that employees in general take safety issues seriously. People can also report positive things, which serves as great examples for others", explains HR Manager Ulla Kauppi at Mirka. In 2020, the safety work was intensified with the launch of the BeSafe campaign. The campaign aimed at raising awareness around safety issues

to an even greater extent than before.

Safety during the pandemic

Mirka's extensive safety work has paid off in low accident rates. In 2020, there were 13 work accidents at Mirka and the LTIR (Lost Time Injury Rate) was 7.0, which is a very low number for any industry.

In 2020, it also became evident that Mirka benefited greatly from previous safety work when dealing with the corona pandemic. The production was quickly organised into different safety zones to prevent employees from meeting each other physically. Thanks to this and other preventive measures, there has only been the occasional corona infection among Mirka's staff, and production and delivery safety has not been jeopardized at any time.

When things are back to normal again, Mirka hopes to be able to resume the so-called safety walks, which were earlier organised on a regular basis. During the walks, people from different departments visited each other to scan for potential safety hazards. This has proven to be effective, as people tend to be a bit blind to their own departments.

Low sick leave rates

In addition to safety, Mirka also works

continuously to support wellbeing at work. The sick leave rate was 4.1% in 2020, which is an unusually low rate for an industrial workplace. The rate dropped a bit from the previous year, perhaps due to low infection rates in general because of the pandemic restrictions.

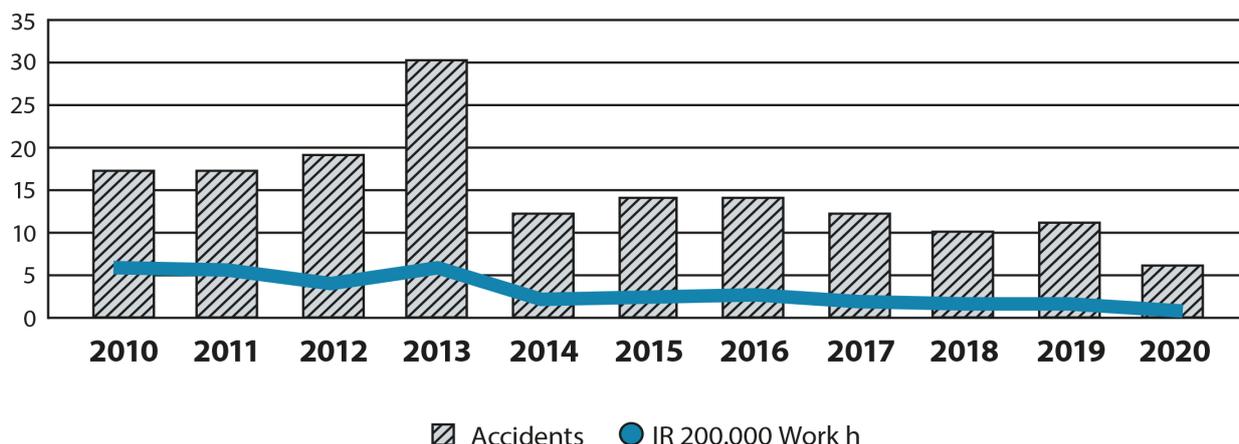
"As our numbers are already on a very good level, it is not that easy to push them down even further. However, the goal for 2021 is a sick leave rate of 3.7%", states Ulla Kauppi.

What, then, has Mirka done to reach these good rates? As with safety issues, it is all about long-term continuous work that consists of many small everyday measures. And naturally, low accidents rates also translate into low sick leave rates.

Mirka has a so-called early caring strategy, where potential problems are addressed before they grow big.

"The supervisors are instructed to intervene at an early stage and have a set of questions for discussion. There is also a low threshold to involve our occupational health. The methods are quite similar both for factory workers and office staff", explains Ulla Kauppi.

Mirka's injury rate history (IR) in Finland 2010-2020



Clean Production

New revolutionary technology saves 95% in production energy

For some years now, Mirka has been developing a completely new production method for its abrasives. Not only is this ground-breaking method hugely energy efficient; it also allows for production without hazardous chemicals.

Throughout its history, Mirka has invested a lot in R&D and has also come up with several revolutionary solutions, with dust-free sanding as the most prominent example. Now Mirka is amid taking the biggest technology leap in the company history, with the introduction of a completely new production method. In Mirka's new machines, the glue that binds the sand grains to the paper is hardened with high-energy curing, instead of hardening the glue with heat as in the old machines.

"You could compare the old machines to giant paper machines, while the new machines are more like digital printers. The old machines are hundreds of meters long, while the new ones are just 25 metres", explains R&D Director Mats Sundell.

Two new machines

The reason that the old machines are so big is because they feature giant dryers that use heat to bind the sand grains to the paper. It goes without saying that this production method is quite energy-intensive, and the new machines therefore use as much as 95% less energy than the old ones.

Mirka has developed the new machine type for ten years already and is nowadays a forerunner in the field. At the moment, two machines of this new type are up and running, producing abrasives for customers. In 2021, the new production method is estimated to stand for a considerable part of the sales value of all Mirka abrasives.

"2020 was really something of a breakthrough for this new production method", says Mats Sundell.

Less chemicals

A drastically reduced energy consumption is only one of the benefits that comes with the new production method. Other benefits include reduced amounts of hazardous chemicals as well as less waste in production.

"The traditional type of glue used in abrasives requires formaldehyde chemistry. Free formaldehyde is today labelled as possibly cancerogenic, which is a hazard both in the production of abrasives, but also for the end customer, who uses the abrasive. We are very happy to have found a production method that does not need formaldehyde at all, and that gives the end customer an even healthier working environment", says

Sundell.

Less waste

With the new machines, every production step is more exact. Due to this fact, there is also less waste.

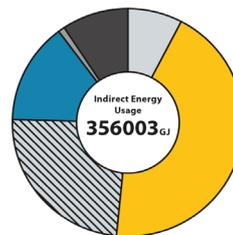
"Now we can, for example, print the sand grains only on the needed areas, and not necessarily on the whole paper. Moreover, the new type of glue does not expire as fast as the old, which means that there is also less glue waste."

In Mats Sundell's future vision, Mirka will also print data on the abrasives, allowing customers to automate and streamline their production processes. "My prediction is that in ten years, all Mirka abrasives are manufactured with this new technology."

Energy usage 2020

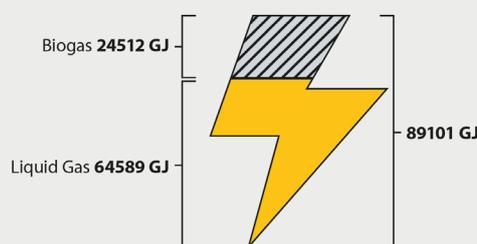
265 169(GJ) Renewable, 179 937(GJ) Non-renewable

Energy usage by energy source

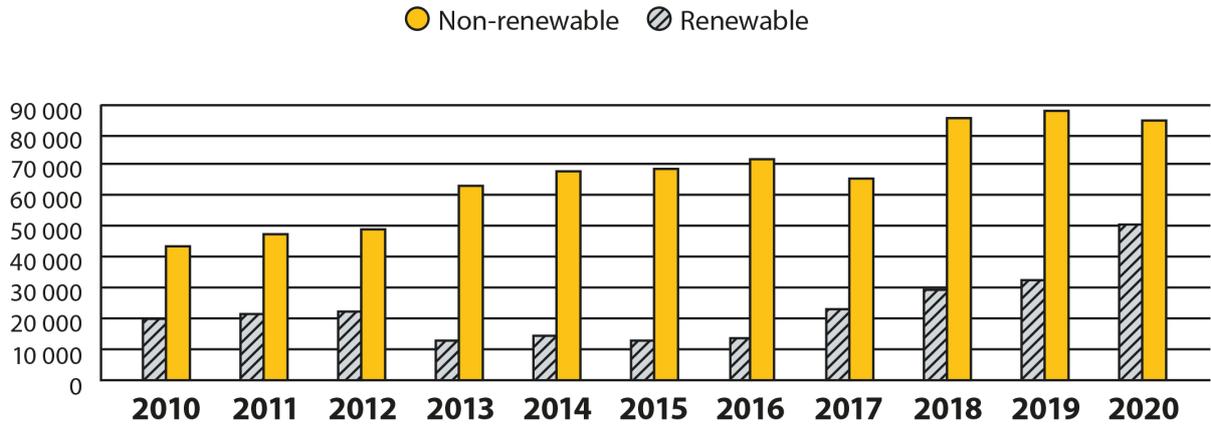


- Non-renewable Steam 8%
- Renewable Steam 44%
- ▨ Non-renewable Electricity 24%
- Renewable Electricity 14%
- Non-renewable Heat 1%
- Renewable Heat 9%

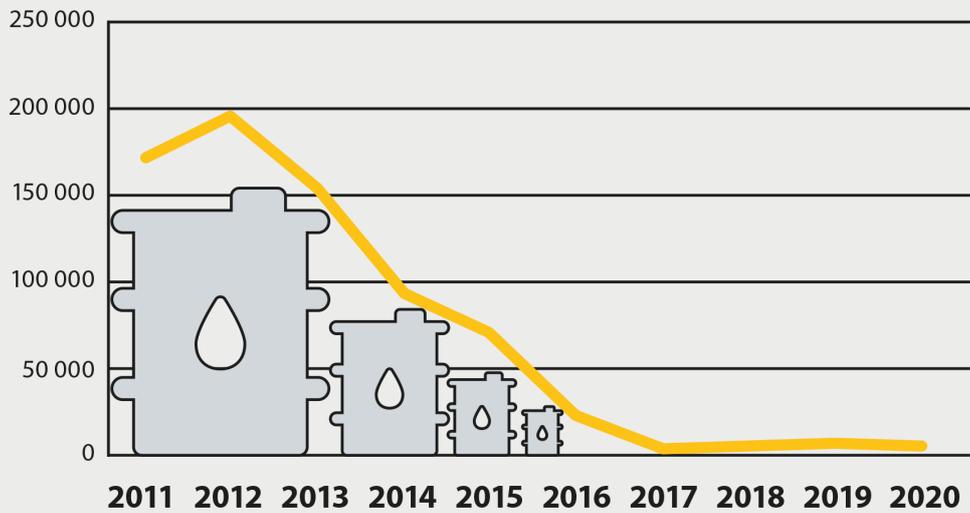
Direct energy usage



Electricity usage (GJ)



Oil usage (GJ)



Successful quality campaign resulted in substantially lower factory waste.

In 2020, Mirka launched a campaign to improve quality and productivity, mainly by lowering the waste in production. As the targets were exceeded, the campaign can be described as a success.

The campaign was launched in early 2020 to the personnel. Two of Mirka's biggest coated abrasive products were chosen for closer examination – Gold 80 and Gold 320. The goal was to find out in which stages of the production unnecessary waste emerges, and to change the way of working by raising awareness among the employees.

In addition, tangible targets were set for the campaign. The measures should result in savings of 250 000 euros for the two Gold products, as well as in savings of one million euros for all Mirka's products.

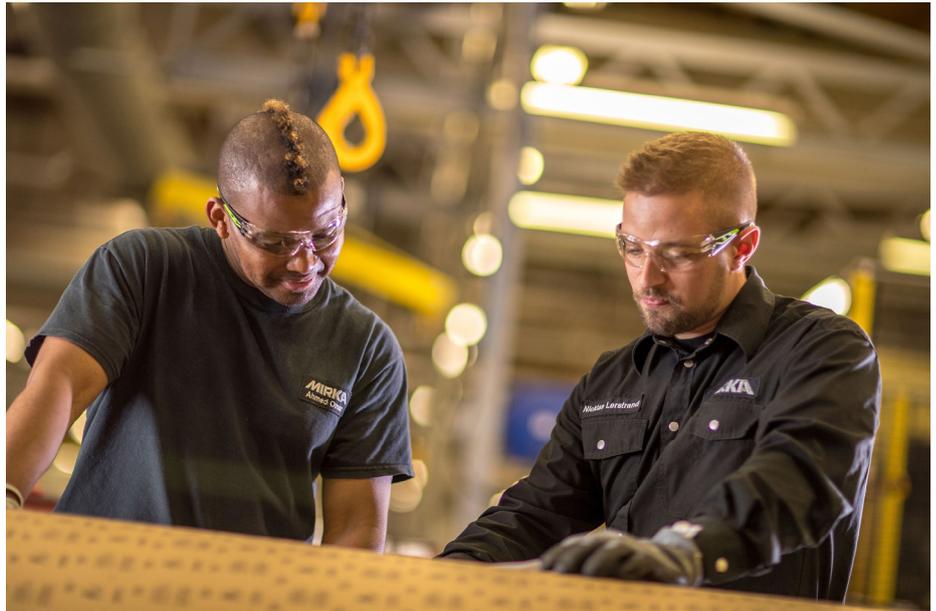
Targets were exceeded.

At the end of the year, it became clear that the campaign had been a success as the targets had been exceeded. The savings were several thousands of euros over target for the closely examined Gold products, and as the improved ways of working started to spread to other products as well, the total savings for all Mirka's products were substantial. **Production unit manager Joakim Hinders**, who oversaw the campaign, is very happy with the results:

"Of course, it is nice that we managed to exceed the targets. It is evident that the savings were the result of our campaign and the enhanced awareness among the staff, as the processes in a technical sense largely remained unchanged during 2020. Another factor that contributed to reaching the targets was a change in the minimum orders quantity in our machines."

Down-to-earth measures

How, then, were these impressive results achieved? The measures taken



were very down-to-earth.

"We simply examined all stages of production very carefully. We also put great effort into explaining to the employees why we were doing this and how they could improve their own way of working. We want employees to understand how their own actions impact Mirka's result", explains Joakim Hinders.

Close attention to waste

Employees were encouraged to pay close attention to waste and report all incidents where waste occurred. One thing that quickly became clear was that the biggest part of the waste emerged at the end of the production process. At some production lines, employees had a habit of cutting off as much as ten meters at the beginning of each reel, just in case it was not of good enough quality. This material is not used in the next step of production anyhow, which meant that huge amounts of perfectly fine abrasives were discarded.

"This was not really anybody's fault; we had just not paid enough attention to these things before. We have had a strong focus on safety in production in recent years, and it

might be that productivity and quality issues have therefore not gotten quite the attention they deserve", explains Joakim Hinders.

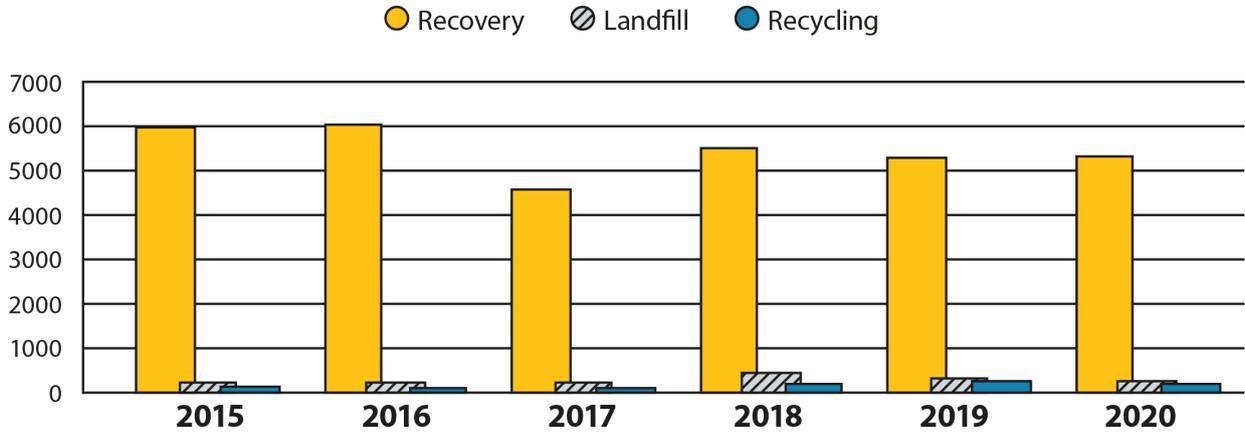
Continuous improvement

In the future, however, productivity and quality issues will remain high on the agenda, as the goal is to continue the work started by the campaign and continuously make improvements. A new product has been chosen for closer examination in 2021. In addition, Mirka will have a closer look on how to minimize, not only paper waste, but also abrasive grit and glue waste in production.

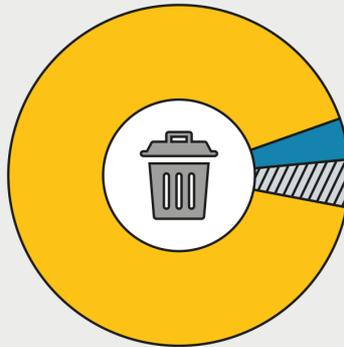
"Our goal is that eventually, all employees will automatically work in a way that prevents waste from emerging. This requires training so that the new ways of working eventually become a habit."

Production waste 2020

Quantities and handling of waste (Global, tonnes)

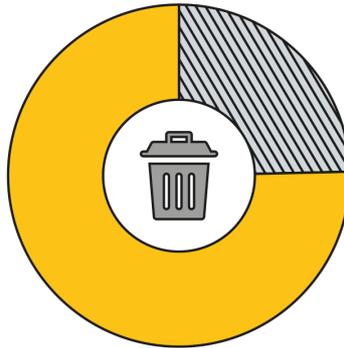


Production waste 2020



● Recovery **5332 t**
 ▨ Landfill **262 t**
 ● Recycling **228 t**

Hazardous/Non-hazardous waste 2020

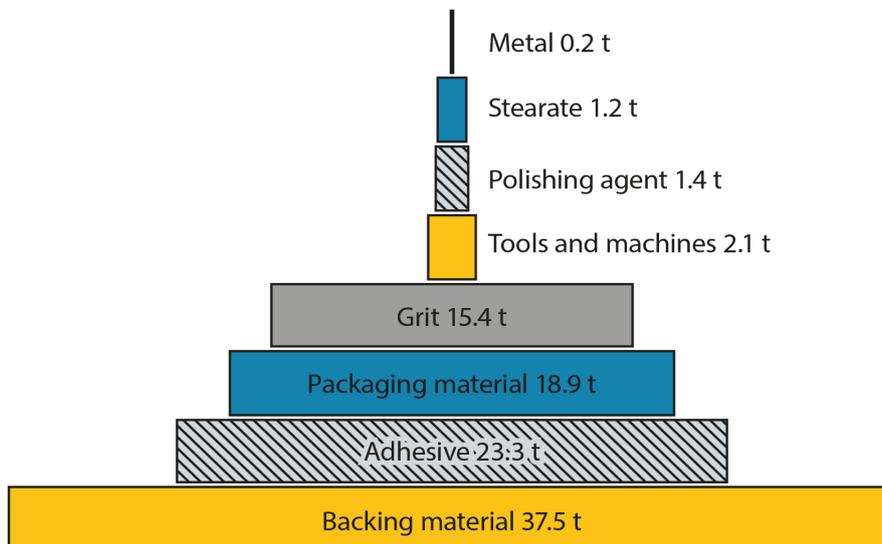


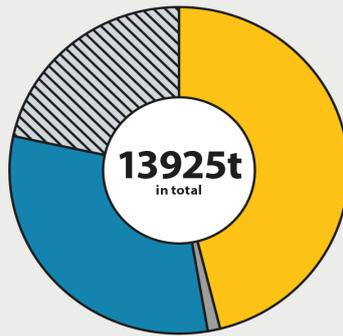
● Non-Hazardous **4388 t** ● Hazardous **1434 t**

Material usage 2020

7913 Tonnes Renewable, 7096 Tonnes Non-renewable

Material usage



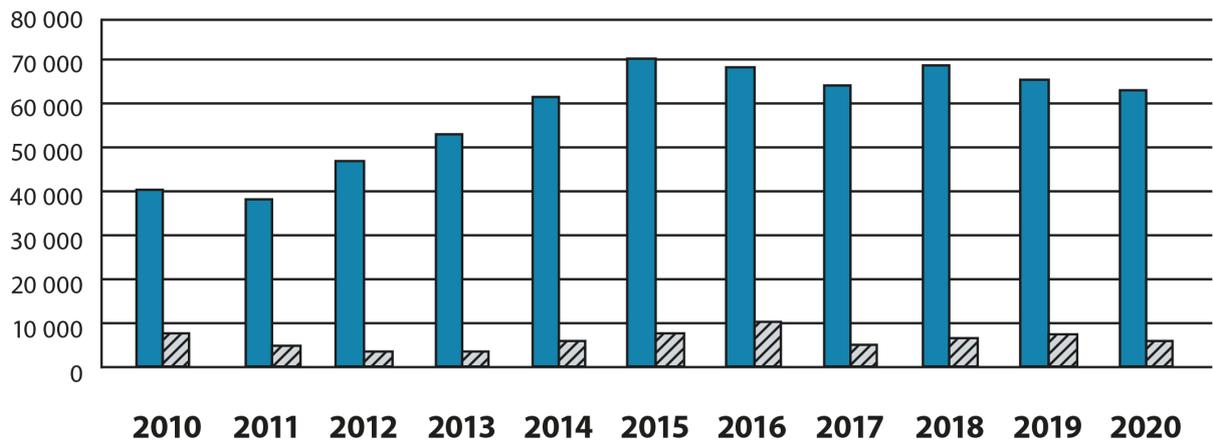


- Non-renewable Materials & Packaging **6918 t**
- Non-renewable Packaging Materials **178 t**
- Renewable Materials in Products **4667 t**
- Renewable Packaging Materials **3246 t**

Water usage 2020

Total 68 796 M³

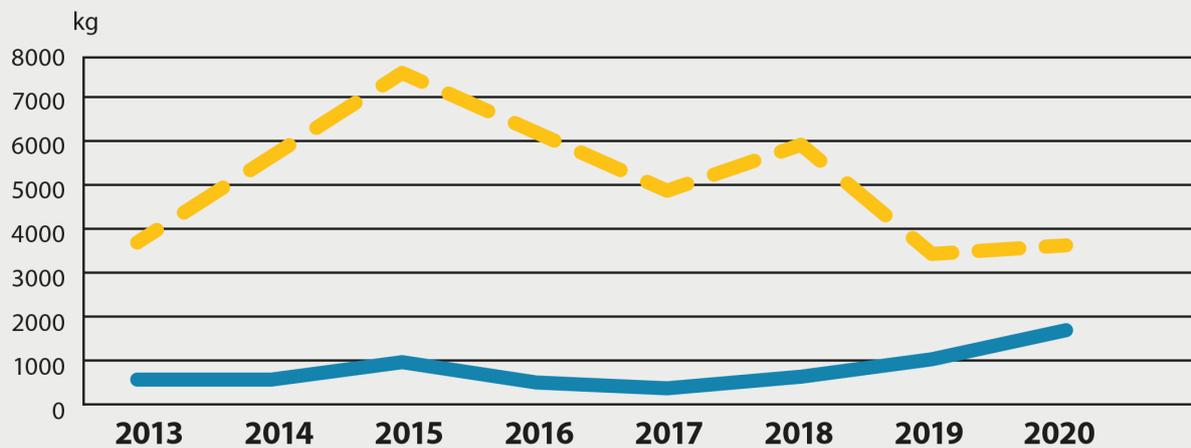
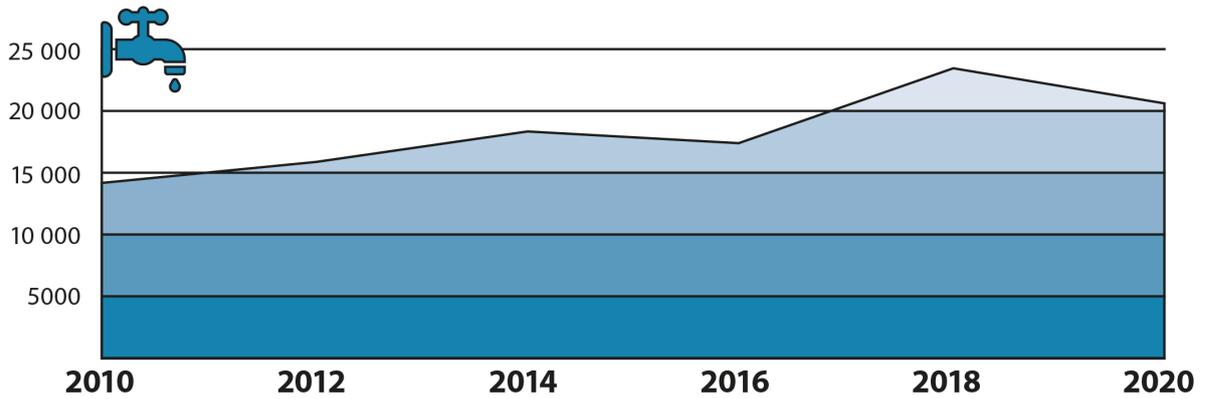
● Municipal water ● Ground water



Wastewater 2020

17 459 m³

Wastewater Global



● BOD₇ (Biochemical oxygen demand) ● TSS (Total suspended solids)

Carbon dioxide (CO₂) 2020

Tonnes carbon dioxide (CO₂)

	2019	2020
Jeppo		
⦿ Adven (biofuel)	8708	9618
⚡ Propane gas	2902	3109
⚡ Electricity	5129	4928
Oravais		
⚡ Adven oil	187	72
⚡ Electricity	1634	1615
Karis		
⚡ Propane gas	691	777
⚡ Electricity	593	609
Jakobstad		
⚡ Electricity	1799	1694
Opglabbeek		
⚡ Electricity	0	68
Fino Mornasco		
⚡ Electricity	296	287
	22 644	23 355

Tonnes CO₂ from company cars

Finland **57**



Subsidiaries **33 687**

Clean Partner

Lower carbon footprint through local purchases

For decades already, Mirka’s strategy has been to purchase as much of its components and raw materials as possible from local suppliers. In addition to short transports and a lower carbon footprint, this strategy also enhances quality and delivery security.

If Mirka is faced with the decision to choose between two different suppliers, that technically and economically are somewhat equal, the company generally favors the supplier that is geographically closer to Mirka’s production facilities in Finland.

This way of working has many benefits:

- Short transports
- Lower carbon footprint
- Time savings
- Just-in-time deliveries
- Enhanced security of supply
- Closer relation to suppliers
- Easier to monitor quality

Mirka has consistently been working according to this principle for decades already, resulting in a big network of local suppliers. More than half of the raw materials and 30 percent of the components used by Mirka come either from the Ostrobothnian region or from Finland in general.

“Although you might get some

components at a lower price from Asia, you always have to have the total cost in mind”, explains **Operations Director Joachim Rännar** at Mirka. “Longer transports increase costs both in terms of time and money and if there is a problem, it is generally easier to solve the closer the supplier is. It is also a great benefit if the supplier can visit our factory to get to know Mirka and our needs.”

Lower transports and less packaging

This way of working applies to all sourcing at Mirka, from raw materials for abrasives to components for electrical tools. When Mirka first started producing electrical tools a decade ago, the components were first sourced mainly from Asia, but later Finnish suppliers were chosen instead.

“It is easier to handle things when you can communicate with people close by. Moreover, the transport costs can be quite high if you are not able to fill a whole container. Luckily, it has been easy to find local suppliers of components for our tools. And if we cannot find Finnish suppliers, the next step is to look for European suppliers. The closer they are to our factories, the better”, says Rännar.

Reusable packaging

The environmental benefits of this supplier strategy not only come from shorter transports, but also from less packaging. The longer the transport, the more packaging is usually needed. With local suppliers, Mirka has been able to develop rotating systems with reusable packaging.

“I see this as a win-win situation for both us and our suppliers. They know that we have high demands on quality, and we have been able to mutually enhance both quality and processes.”

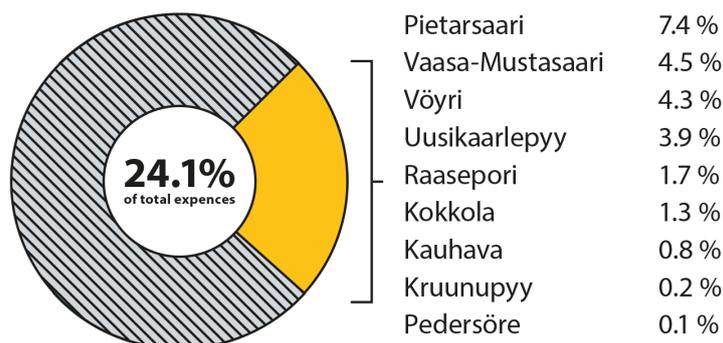
Successful strategy in 2020

In 2020, the local sourcing strategy proved to be more beneficial than ever, as the year was turbulent due to the pandemic. In the beginning of the year, there were disturbances in the supply chains from Asia because of lockdowns in China. Later on, there was a shortage of transport capacity from Asia.

“Of course we were not immune to these problems, as many of our local suppliers are dependent on raw material and components from Asia. However, we were in a much better position than we would have been if we had sourced everything in Asia. What we learned in 2020 is that it is vital to have many different suppliers to spread the risks”, says Rännar.

Supplier expenses to local municipalities

(< 100 km from all four of our manufacturing sites in Finland)



Program setting industry standards in Europe

As a member of the Federation of European Producers of Abrasives, FEPA, Mirka had a central role in the founding of the Sustainable European Abrasives Manufacturer (SEAM) program, that was launched in 2020.



Sustainable European Abrasive Manufacturers

The objective of the SEAM program is to support and assist European abrasive manufacturers on their way towards sustainable growth and sustainability improvements, mostly in production and distribution. The program is organized into the three fundamental pillars of sustainability: environment, labor and economy.

To be approved in to the program, manufacturers have to meet a series of minimum requirements within these pillars, so for Mirkas part this came naturally through our commitment to sustainability

The SEAM programs idea is to set

a European sustainability standard that pulls industry upward where it can find the right balance between environmental efficiency, production performance, labor safety for the whole abrasives industry in Europe comes together to lead an even stronger sustainable development.

Dust-tree: Clean air by Abranet in India

“We have only one home.” Mirka India has firm faith in protecting the environment. To further strengthen the actions done by Mirka globally, they took another step by offering a solution that creates a clean and healthy environment.

Since its conception, Mirka’s dust-free solution has created a stir in the market. The Abranet + Mirka DEROS + Dust Extractor combination is a valuable deal for our customers and partners. In 2019 Mirka India showed how our solution can benefit the environment.

With facts collected from wood workshops they concluded that Mirka’s dust free solution catches approximately 2.3 kg of dust per 8 hrs of shift. To back it up with facts it was calculated that the amount of

dust caught by a single sacred fig, or peepal, tree is about 2.3 kg per month. It means that using Abranet is equivalent to planting 26 trees.

As a result, Mirka India partnered with the NGO Give Me Trees trust and launched the Dust Tree-campaign in Delhi – one of most polluted cities in the world. The outline for the campaign was that for every 500 discs of Abranet sold, Mirka India would plant a peepal tree in selected green areas in Delhi. Interested customers were also invited to these plantings where they were introduced to the natural phenomenon of a self-sustaining eco system.



After the planting, the Give Me Trees trust, which co-operates with the government, takes responsibility for caring for the trees. The campaign created a buzz among customers in India and had all ingredients to become a success. Unfortunately, the outbreak of the corona epidemic, and all restrictions that followed in its wake, the campaign was put on hold in 2020.

Renewing the car fleet in Brazil

In many countries a car is a necessity, for example when visiting customers, and Brazil is no exception. But as well known, emissions from transport have a major environmental impact.

Therefore, Mirka Brazil decided to do their part, and advocated the strategy that, as the car fleet was renewed, emphasis would be placed on more

environmentally friendly alternatives to cars running on traditional fuels.

This meant moving away from diesel and gasoline in favour of biofuel and hybrid vehicles. This strategy has paid off and in the end of 2020 only 16 percent of Mirka Brazils car fleet consists of cars run by traditional fuels

(8 % gasoline, 8 % diesel). Currently most of the fleet is biofuel driven (67 %) and about one fifth of the cars are hybrid vehicles.

In the future plans are to explore the possibilities to further develop the car fleet towards more eco-friendly and increase the amount of hybrid and electric vehicles.

Reporting Principles

Mirka publishes its Sustainability Report every two years. This report is for corporate sustainability in 2019 - 2020 and the information in the report is collected from all units that are under direct control of Mirka Ltd, unless otherwise specified.

In addition to the Sustainability Report, Mirka publishes its annual review including the most significant financial indicators as part of the KWH Group Ltd's Annual Report.

Mirka's Sustainability Report 2020 is a GRI Standards referenced report (for more details see Content index). The reported topics and indicators have

been selected based on their business significance, impact and stakeholder expectations and needs. We have also made a cross-reference to the United Nation's Sustainable Development Goals.

The reported indicators and topics provide our stakeholders extensive and reliable information for assessment and a transparent picture of Mirka's economic, social and environmental responsibility. We want to present our information in a comprehensive, clear and understandable way.

Our goal is to provide an objective overview of our operations rather than only focus on positive

developments. Where possible, we have reported the information from the current and previous periods for comparison purposes. Our Board of Directors has approved this publication and confirmed that the presented information is accurate and verifiable

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For more information about GRI, go to:
www.globalreporting.org

Disclosure	GRI Reference	Location	Omissions
GRI 102: General disclosures			
1. Organisational profile			
Name of organisation	102-1	www.mirka.com/sustainability	
Activities, brands, products and services	102-1	www.mirka.com/sustainability and Global Mirka	
Location of Headquarters	102-3	www.mirka.com/sustainability and Global Mirka	
Location of operations	102-4	www.mirka.com/sustainability and Global Mirka	
Ownership and legal form	102-5	www.mirka.com/sustainability and Global Mirka	
Markets served	102-6	www.mirka.com/sustainability and Global Mirka	
Scale of the organisation	102-7	Infographics, www.mirka.com/sustainability, The Mirka Way	
Information on employees and other workers	102-8	Infographics, www.mirka.com/sustainability	
Significant changes to the organisation and its supply chain	102-10	Infographics, www.mirka.com/sustainability	
Membership of associations	102-13	About Mirka	
2. Strategy			
Statement from senior decision-maker	102-14	An overview by our CEO	
3. Ethics and integrity			
Values, principles, standards and norms of behaviour	102-16	About Mirka, www.mirka.com/sustainability	
4. Governance			
Governance structure	102-18	www.mirka.com/sustainability, The Mirka Way	
5. Stakeholder engagement			
List of stakeholder groups	102-40	About Mirka	
Collective bargaining agreements	102-41	About Mirka	
Identifying and selecting stakeholders	102-42	About Mirka	
6. Reporting practice			
Changes in reporting	102-49	Reporting Principles	
Reporting period	102-50	Reporting Principles	
Date of most recent report	102-51	Reporting Principles	
Reporting cycle	102-52	Reporting Principles	
Contact point for questions regarding report	102-53	Reporting Principles	
Claims of reporting in accordance with GRI standards	102-54	Reporting Principles	
GRI Content index	102-55	Content index	
GRI 204: Procurement Practices 2016			
Proportion of spending on local suppliers	204-1	Infographs, Clean partner	
GRI 205: Anti-corruption 2016			
Communication and training about anti-corruption policies and procedures	205-2	About Mirka	Categorisation by region and employee category
Confirmed incidents of corruption and action taken	205-3	About Mirka	
GRI 301: Materials 2016			
Materials used by weight or volume	301-1	Infographs, Clean production	
GRI 302: Energy 2016			
Energy Consumption within the organisation	302-1	Infographs, Clean production	
GRI 303: Water and Effluents 2018			
Water withdrawal	303-3	Infographs	
Water discharge	303-4	Infographs	
GRI 305: Emissions 2016			
Direct (scope 1) GHG emissions	305-1	Infographs	
GRI 306: Waste 2020			
Waste generated	306-3	Infographs, Clean production	

Disclosure	GRI Reference	Location	Omissions
GRI 401: Employment			
New employee hires and employee turnover	401-1	Infographs	
GRI 402: Labor/Management relations 2016			
Minimum notice periods regarding operational changes	402-1	About Mirka	
GRI 403: Occupational Health and safety 2016			
Occupational health and safety management system	403-1	Success driven by people	
Hazard identification, risk assesment, and incident investigation	403-2	Success driven by people	
Worker participation, consultation and communication on occupational health and safety	403-4	Success driven by people	
Promotion of worker Health	403-6	Success driven by people	
Work-related injuries	403-9	Success driven by people, Infographs	
GRI 404: Training and education 2016			
Average hours of training per year per employee	404-1	Success driven by people, Infographs	
Percentage of employees receiving regular performance and career development reviews	404-3	Infographs	
GRI 406: Non-discrimination 2016			
Incidents of discrimination and actions taken	406-1	About Mirka	
GRI: 408 Child labor 2016			
Operations and suppliers at significant risks for incidents of child labor	408-1	About Mirka	
GRI 103: Management approach 2016			
Explanation of the material topic and its Boundary	103-1	Reporting Principles	
The management approach and its components	103-2	Reporting Principles	
Evaluation of the management approach	103-3	Reporting Principles	