



2021

## Dear Mr Secretary General,

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I am pleased to confirm with this letter the continued support of the Vignal Group for the United Nations Global Compact.

We therefore renew our commitment to adopt, support and implement the 10 core principles of Human Rights, Labour Rights, Environmental Protection and Anti-Corruption within the scope of our operations.

We also wish to express our commitment to take these principles forward by continuing to embed them in our company's strategy, business culture and operating procedures.

Please find herewith our report on progress for year 2021.

Best regards.

## A word from the President,

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Vignal keeps on performing in the CSR approach.

Despite the current health and industrial crisis, Vignal continues to strive for excellence, having taken up the challenge of dividing the carbon impact of fires by 5.

As a result of the high reliability of its products, Vignal has achieved great commercial success. This strengthens the company's organic growth.

This year, Vignal also acquired two companies, BBL (manufacturing injection tools) and Sesaly, which brings to the Group numerous product families, as well as access to the coach and bus and rail sectors, and above all a competent and motivated team to develop synergies together.

Vignal Sesaly has joined the circle of group companies, Vignal ABL and Vignal Systems, which are Gold rated according to the Ecovadis criteria.

Additionally, the global design, local manufacturing policy has proven to be effective during the Coronavirus crisis.

By avoiding intercontinental transport, we limit our impact on the planet and, not least, we provide our customers with great flexibility.

We are in total alignment with them, and we have decided to join Drive Sustainability to work together and make further progress.

Jean-Louis Coutin President of Vignal Group

## NATIONAL AND INTERNATIONAL VOLUNTARY COMMITMENTS

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"Vignal has made sustainable development one of its major strategic priorities."

Emmanuel Magat - Industrial and CSR Director

### THE UNITED NATIONS Global Compact

Vignal Group expressed its commitment to universal values in 2015 by joining the United Nations Global Compact, thereby showing its engagement in corporate social responsibility. Vignal Group then committed to bringing its strategy and operations in line with the 10 principles of the Compact relating to human rights, labour standards, the environment and anti-corruption.

### THE SUSTAINABLE DEVELOPMENT GOALS (SDGS)

As part of our ongoing CSR commitments, the Group supports the UN's 2015 SDGs. The 17 SDGs represent a global call to action for 2030 to tackle inequality, make the world a better place for future generations, and ensure that all people live in peace and prosperity. Vignal contributes to this as well as possible.

### CODE OF ETHICS - CSR CHARTER Vignal

The Code of Ethics and the CSR Charter are the two founding documents of our vision in terms of sustainable development. In their own way, each of them specifies the group's CSR ambitions, but also the principles and rules that each employee must follow in the exercise of his or her duties and responsibilities.

### CSR POLICY Vignal

Established more than 20 years ago in line with the Group's values, the Vignal Group's CSR policy has always been a pillar of our growth strategy. It unfolds within a framework to create and amplify a dynamic of progress around CSR topics.

It inspires and guides our activities and keeps us on course for sustainable growth.

## OVER 20 YEARS OF CSR POLICY

### *The vision of sustainable and responsible growth*

The Group's CSR policy aims to respect people, the planet, and organisations <sup>(1)</sup>, and to improve the sustainability of its business model by supporting the trust of the stakeholders with whom Vignal maintains a constant dialogue. For more than 20 years, we have been placing CSR at the heart of our decisions, and here are the most representative actions.

# 2000

ISO 14001 Certification

# 2009

1<sup>st</sup> carbon assessment (scope 1,2,3)

# 2013

1<sup>st</sup> CSR charter  
1<sup>st</sup> Ecovadis "Gold" CSR rating

# 2014

Strategic planning :  
"Global design / Local production"

# 2015

Membership of the Global Compact  
United Nations  
Creation of the Group CSR Committee

# 2016

New site in Lyon  
Responsible purchasing policy  
1<sup>st</sup> extra-financial reporting

# 2017

1<sup>st</sup> CMRT conflict minerals assessment  
Rancate site transformation  
Mosinee site development

# 2018

Opening of the Changzhou site in China  
1<sup>st</sup> supplier CSR audit  
Carbon footprint ratio : -40% in 5 years

# 2019

Supply chain location  
Redesign of the Code of Ethics  
Creation of the first gender equality index

# 2020

Redesign of the CSR Charter  
Deployment of CSR supplier audits  
Ethical management of the Covid crisis  
Investments : 6 100% electric injection moulding machines.

# 2021

Muscular awakening in the workplace.  
Introduction to the ISO 20400 guidelines.  
CSR Charter Update.  
Drive+ membership.



(1) laws and regulations.

## OUR GLOBAL STRATEGY “GLOBAL DESIGN / LOCAL PRODUCTION”

### *An identical production system for all subsidiaries*

Vignal Group is a global company that aims to offer the best products and services to earn the trust of its customers.

Our industrial coverage on the three continents where our main customers are located (America, Europe, Asia) allows us to reduce intercontinental transport, minimize our environmental footprint, limit CO2 emissions, and offer the best flexibility and responsiveness to our customers.

And one of our greatest strengths is a production system that is identical for all our subsidiaries, driven by the same CSR ambition.

Our subsidiaries.

- have a "Best in Class" industrial tool to guarantee the best level of quality, to be competitive and reactive anywhere in the world.
- are developing new product ranges to reduce the energy consumption of our customers' vehicles.
- offer ambitious or even disruptive technological innovations capable of attracting their own customers' interest.



**BEST-IN-CLASS FACTORIES  
AROUND THE WORLD.**

**ALL SUBSIDIARIES  
ARE ISO 14001 CERTIFIED.**

**LOCAL PROCUREMENT  
AND DELIVERY.**





## Focus - major CSR actions of our subsidiaries



Vignal Systems site Lyon (France)

Integration of electronic cards.  
Investment in robotic cells.  
Gender equality index.  
Increasing the skill level of team leaders.  
Waste management and recyclability policy.  
100% electric injection moulding machines.  
Muscular awakening sessions.  
Integration of lean hard coating.



Vignal site Caen (France)

Deployment of Vignal Production System.  
Conversion to LEDs.  
Investment in assembly lines.  
Building insulation & LED lighting.  
Gender equality index.  
Waste management and recyclability policy.  
ERP reinforcement.



Vignal Rancate site (Switzerland)

VDA6 audit and IATF certification.  
Deployment of Vignal Production System.  
Investments in assembly lines, injection, tooling.  
Building insulation & LED lighting.  
Carbon footprint assessment.  
New product lines.  
Waste management and recyclability policy.  
100% electric injection moulding machines.



Vignal Mosinee site (USA)

14001 certification.  
Deployment of Vignal Production System.  
Investment in assembly lines.  
New product lines.  
Location of component purchases in the USA.



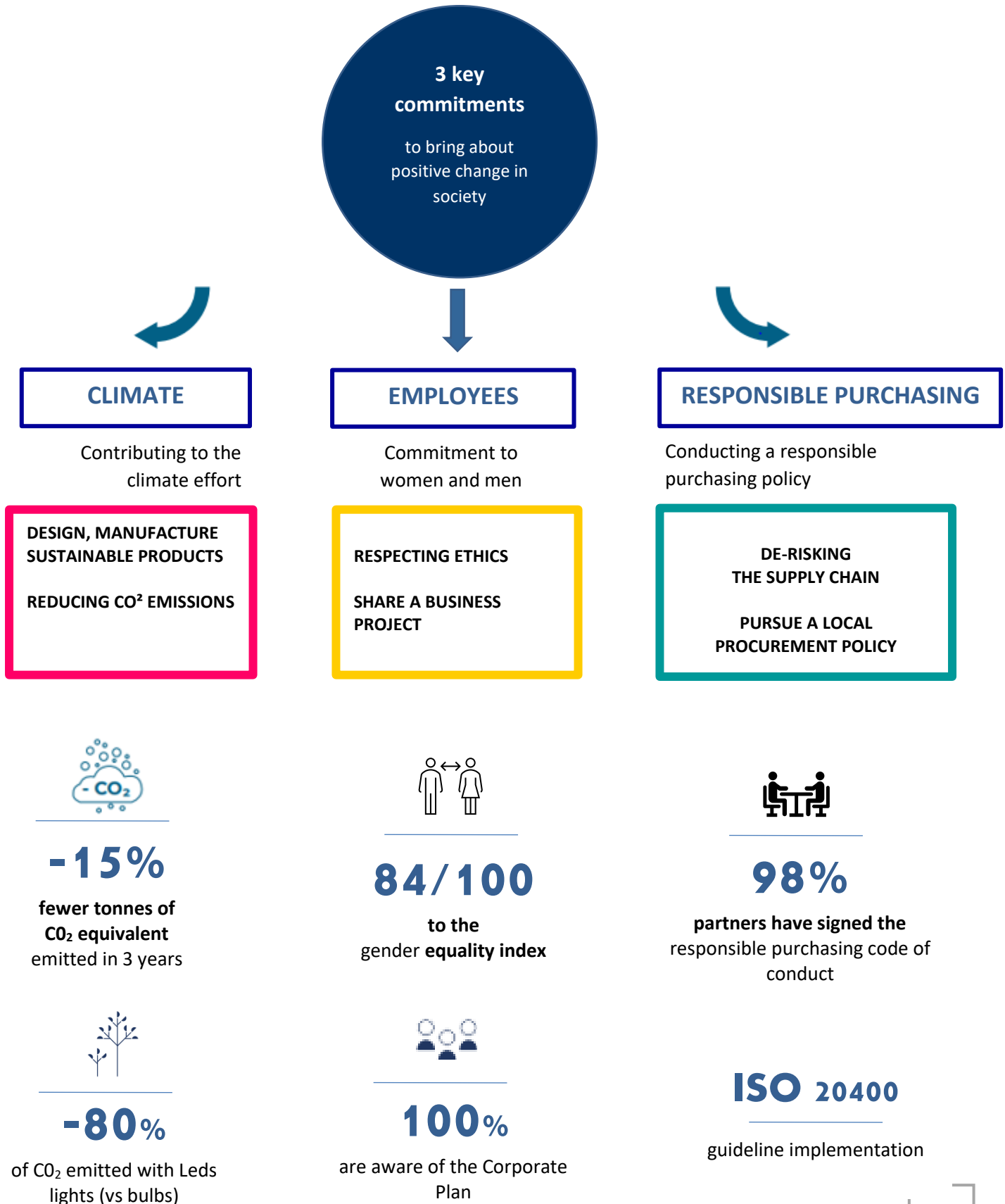
Vignal Changzhou site (China)

14001 and ISO 9001 Certification.  
Deployment of Vignal Production System.  
Investment in assembly lines.  
New product lines.  
Location of component purchases in Asia.  
Carbon footprint assessment.  
IATF certification.



## VIGNAL CSR POLICY

### 3 key commitments



## ONE MORE YEAR OF COMMITMENTS OF VIGNAL'S SUBSIDIARIES

### ***Continuous external growth***

Crises are decisive moments when strategies are put to the test.

Vignal and staff have shown remarkable resilience in the face of this health crisis, and all teams have shown unfailing commitment.

We turned the event into a success. Indeed, not only have we been able to adapt to a sudden change in market conditions, but we have also followed-up on our investments, and also focused on our external growth.

In the 1<sup>st</sup> half of 2021, Vignal acquired SESALY, which designs, manufactures and markets **on-board light and sound signalling systems** for passenger transport and industrial vehicles.

This acquisition will allow the Vignal group to develop in the passenger transport sector while strengthening its positions in the industrial vehicle market.



Vignal is forward-looking, and always favours a long-term vision of the company in order to offer all the employees **sustainable employment**.

Jean-Louis Coutin, CEO of VIGNAL GROUP: *"VIGNAL is pursuing its growth strategy through targeted acquisitions in order to strengthen its technological businesses and/or acquire new product lines. The integration of SESALY into the group will allow us to develop synergies to offer more products and services to all our customers."*



The expert in **on-board solutions**,  
for all vehicles, from **standard** to  
**custom-made**.





## ***Muscular awakening - An initiative that gets people moving!***

Vignal is committed to the health and safety of its employees, and invests to continually improve working conditions, considering the specific challenges of each business.

Thus, Vignal has initiated a process of muscle awareness sessions: a programme developed between operators and health professionals, warm-ups adapted to the constraints of Vignal's business, and training of operator-ambassadors for a long-term commitment.



A better prepared body means fewer accidents, fewer musculoskeletal disorders, better mental health, and sharing an activity in a collective manner brings teams together, federates and motivates them.

All these measures have meaning as Vignal's commitment to protecting its employees remains unchanged.

Fabien Veillon - production supervisor: "The warm-up allows them to prepare themselves, optimise their resources and reduce the risk of injury".

Hira Alitov (Operator/Facilitator): "Organising these sessions creates a better working atmosphere, a better cohesion between the operators."

Muscular awakening session on the Vignal Systems site ↓



## Vignal joins “Drive Sustainability”

Vignal keeps up a regular and constructive dialogue with its stakeholders at local and national level in each of the countries where it operates.

This dialogue is intended to be open and qualitative, with the aim of developing and co-creating innovative projects or partnerships. This dialogue is a lever for building links, innovation and added value.



Vignal joins BMW Group, Daimler AG, Fiat Chrysler Automobiles, Ford, Honda, Jaguar Land Rover, Scania CV AB, Toyota Motor Europe, Volkswagen Group, Volvo Cars and Volvo Group.

**Together** we will encourage, promote, and work towards a common approach and process on **sustainability in our supply chain**.

We are pleased to share with you below the mission, ambitions, and principles for which Vignal is committed to progressing with its clients on the path of CSR.



## WE STRIVE FOR



#DriveSustainability



## Participation in "Cyber World Clean Up Day"

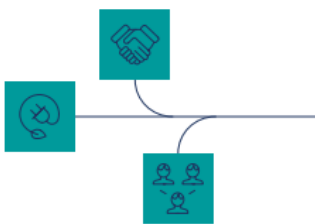
In March 2021, Vignal participated in the first edition of the "Cyber World Clean Up Day", which is the world day of digital cleaning.

The challenge for our Vignal Production System department was to create an **initial awareness** around the issue of greenhouse gas emissions linked to **digital technology**.



Digital technology does have an impact on the environment. Business communications, internet searches, video conferences, telephone calls, etc. use energy-consuming digital equipment and infrastructure every day at Vignal.

There is nothing virtual about digital. Digital technology is responsible for 4% of global greenhouse gas emissions.



All of our employees in our subsidiaries in Europe, the USA and Asia played the game, including telecommuting employees: many emails, photos and files were eliminated from our servers.

Vignal's employees have taken the first step. This exercise should be repeated in March 2022.



## Certification policy - ISO 14001

Vignal's long-term success is based as much on the solidity of its economic model as on its environmental and social footprint.

In 2021, all subsidiaries maintained ISO 14001 environmental certification.



## Continuation of the responsible purchasing policy

### PROGRESS WITH OUR SUPPLIERS : a real challenge

Since 2015, Vignal has been committed to a responsible purchasing policy, in line with its overall Corporate Social Responsibility approach.

In 2021, Vignal is strengthening their approach by integrating the guiding principles of the ISO 20400 standard for responsible purchasing.



This was done by setting up a **questionnaire** to ;

- exchange good practices, strengthen our partnerships.
- to know the level of CSR maturity of our service providers.
- identify the levers for CSR improvement in order to progress together.

Questions were asked on the following topics:



Identity provider



Labels



Their CSR policy



Objective: to co-construct a CSR ecosystem

### MANAGING THE RISKS OF CONFLICT MINERALS

Vignal sources components from its suppliers that contain gold, tin, tantalum, tungsten and cobalt.

Vignal is concerned to comply with the laws and regulations (\*) concerning its minerals and has taken steps to ensure that this legislation and recommendations are respected in their supply chain.

(\*) US Securities and Exchange Commission Act.  
Regulation (EU) 2017/821 of the European Parliament.  
OECD Annex II.  
UN recommendations.



Therefore, Vignal asks their Service Providers:

- for the products they supply to us, to report their conflict minerals by completing **CMRT reporting** for tin, tantalum, tungsten and gold and **CRT reporting** for cobalt. The resources used are those available from the Responsible Minerals Initiative (RMI);
- reduce risk by favouring ConflictFree supply chains whose due diligence practices have been validated by an independent third party.
- to implement corrective measures in the event of proven risks and to communicate their due diligence measures if necessary.
- to implement all the above requirements in their supply chains.



Vignal has also updated its requirements in the documents that link it with its supply chain to comply with our environmental regulations.

This work concerned the EU REACH Regulation, the RoHS Directive and POPs.



Registration, Evaluation, Authorization, and Restriction of Chemicals.



Restriction of Hazardous Substances in electrical and electronic equipment.



Persistent organic pollutants (POPs).

## CONTROLLING THE RISKS OF COMPONENT SHORTAGES

*"Polar vortex in Texas, drought in Taiwan, blockage of the Suez Canal... ultra-dependence of Europe, ... lack of electronic components, raw materials in the chemical, automotive and construction industries..."*

The thrombosis of the components markets was multifactorial: health crisis and then economic crisis, **conditions and** even the paralysis of the Suez Canal for a week because of the grounding of the Ever Given.



### ■ RESILIENT THROUGH OUR INTEGRATED SUPPLIERS

Our industrial excellence is based on the 5 Pillars, including the "supplier integration" pillar.

Vignal to deliver, and to get out of this crisis works **together** with its **suppliers**.

To achieve this, we have made efforts to; find alternative components, simplify new generations of products, communicate our needs over medium-term horizons, initiate more ambitious logistics contracts, and ensure daily follow-ups with our suppliers.

MAIN GOAL :

A MORE RESILIENT,  
COMPETITIVE SUPPLY  
CHAIN, BETTER  
PREPARED FOR FUTURE  
CRISES.



The production department also played the flexibility card with our standard and modular production lines around the world. And our delivery times are always short thanks to our manufacturing sites located on three continents, close to our customers.

## CONTINUING TO LOCATE OUR PURCHASES CLOSE TO OUR CUSTOMERS

The Group favours a location strategy compatible with the requirements of economic competitiveness and participates in the local integration of the economy.

This strategy applies particularly to the United States (Vignal ABL US) and China (Vignal Changzhou) where the Group is established.

This proximity makes it possible to reduce transport-related CO2 emissions, support local employment and satisfy the expectations of local stakeholders (customers, communities, and states).

### Sustainable procurement according to ISO 20400

*"Sustainable procurement is procurement that has the greatest possible **positive** environmental, social and economic impacts over the entire life cycle, and which aims to minimise **negative** impacts."*

## Covid crisis - committed and mobilised employees

Vignal was fully mobilised in response to the large-scale health and economic crisis caused by the coronavirus epidemic.

We helped to contain the epidemic by implementing **safety measures** in all our subsidiaries. We have ensured the **continuity of our activities** and **supported** our customers, employees, suppliers, and partners throughout 2021.

This challenging period has made us more aware than ever that our global economy must also adapt to a broader responsibility towards society, the planet, and future generations.

Vignal is contributing towards this. More than words, our employees have acted for the sustainability of the company, as well as the world around us.

In 2021, we have among others, as this is not an exhaustive list.

protected all our employees  
delivered to all our customers worldwide  
contributed to the climate effort  
developed new products

- strengthening of sanitary measures.
- using our capacities on all continents.
- to reduce our greenhouse gases.
- products, which consume less CO<sup>2</sup>.





strengthen Vignal position as a leader  
anticipating crisis scenarios  
recruited junior and senior staff  
launched new digital projects  
invested in our low-carbon industrial tool



- integrate a new company: new markets/customers.
- impact measurements, and pro-active measures.
- diversity, inclusion.
- agile and efficient working environment.
- purchase of electric presses.

continued our local sourcing policy  
solidarity with our stakeholders  
enriched our CSR actions  
strengthened our operational and financial efficiency  
maintained the highest quality standards

- reduction of intercontinental transport, territorial anchoring.
- hourly payments, recruitment of trainees.
- drive+ membership, exchanges with our clients.
- procurement, cash flow.
- iso 14001, TS 16949, IATF certifications.



Our role as a committed company is important and will be just as essential in the post-crisis period.

VIGNAL IS DETERMINED  
TO BUILD WITH ITS  
STAKEHOLDERS,  
A BETTER AND  
SUSTAINABLE  
TOMORROW.



## Evolution of our Group CSR Charter

To introduce our new CSR Charter, we chose a quote from Antoine de Saint-Exupéry.  
"As for the future, it is not a question of forecasting it but of making it possible"

This is what our CSR approach is all about, and has been for over 20 years.  
Each of our actions has meaning and reflects our commitment to respecting the planet, people, laws and regulations.

Our new CSR Charter aims to make our CSR system more transparent and to facilitate dialogue with our stakeholders.  
Our commitment to CSR is one of our core values, alongside innovation and industrial excellence.

We invite you to share our values, our ambitions and our actions by reading our new CSR Charter, which you will find on the Vignal Group website.



## Gender Equality Index 2021

We are doing our best to improve equality between women and men, in terms of pay, career development, work/life balance and working conditions.

The results of our two subsidiaries in France expressed in points on a base of 100 are as follows :

Vignal Systems Vignal ABL

87

76

The Vignal Systems site in Lyon is up by +5 points, specifically on the point "number of employees of the under-represented gender among the 10 highest earners". The Vignal Systems site now has more women among the top 10 highest paid.

The Vignal ABL site in Caen is above the regulatory threshold for the second consecutive year.

**VIGNAL  
SYSTEMS**

**+ 3 points**

**5 ÉGALITÉ ENTRE  
LES SEXES**



**VIGNAL ABL**

**ABOVE THE  
LEGAL  
THRESHOLD**

## CSR progress indicators (KPIs)



### Social



		2019	2020	Evolution 2019/2020
<b>Accident frequency rate</b>		26	11.3	→
<b>Accident severity rate</b>		0.95	0.52	→
<b>Turn over CDI</b>	%	10.5	7.4	→
<b>women in our recruitment</b>	%	36	47	→
<b>Professional Equality Index F/H.</b>	%	84.9	84.5	→




ACCIDENTS AT WORK



STAFF TURNOVER RATE

## Environment

		2019	2020	Evolution 2019/2020
				
Electricity consumption	KWh/K€	46,6	49,4 <sup>(1)</sup>	➡
Gas consumption	KWh/K€	23.7	23.8	➡
Water consumption	m3/K€	0.053	0.043	➡
Non-hazardous waste	Kg/K€	1.96	1.91	➡
Plastic waste	Kg/K€	0.58	0.71	➡
Cardboard waste	Kg/K€	1.48	1.50	➡


<sup>(1)</sup> integration of new activities



## Governance

		2019	2020	Evolution 2019/2020
				
% of subsidiaries having completed their business plan and ensure their communication		100%	100%	➡

## Responsible purchasing

		2019	2020	Evolution 2019/2020
				
of frs having signed the CSR Charter	%	91	92	➡
of frs who responded to the CSR questionnaire	%	86	86	➡

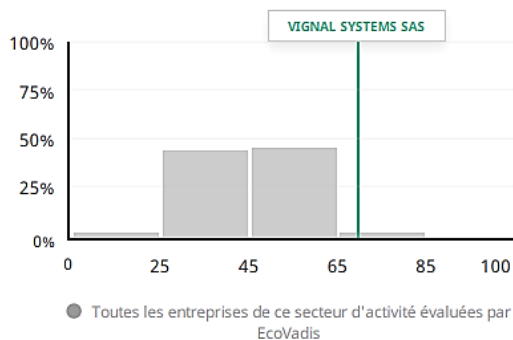


## Ecovadis rating

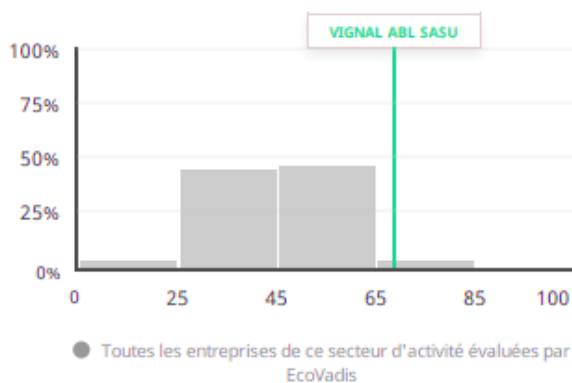
In 2021, the Vignal Systems and Vignal ABL sites were awarded Gold level by the Ecovadis rating provider. It should be noted that Vignal Sesaly was also awarded the Gold level in 2020.

Thus, the three French sites confirm their level of maturity in CSR.

The Ecovadis assessments focused on 21 issues grouped into 4 themes (Environment, Social & Human Rights, Ethics, Responsible Purchasing). The 21 issues or criteria are drawn from international CSR standards, such as the Global Compact principles, the International Labour Organization (ILO) conventions, the Global Reporting Initiative (GRI), the ISO26000 standard and the CERES principles.



Vignal Systems is in the top **1%** of the companies evaluated.



Vignal ABL is one of the top **2%** of the companies evaluated.



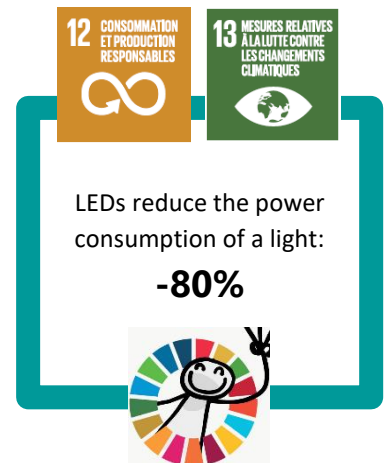
Vignal Sesaly is one of the top **5%** of the companies evaluated.

## Carbon footprint

All the subsidiaries of the Vignal Group are concerned about their sustainability.

To help us reduce our environmental footprint, we measure our greenhouse gas emissions.

Thus, each year, under the aegis of the Industrial and CSR Director, Vignal Group carries out its carbon footprint on scopes 1, 2 and 3.



### What is the main reason for our lower CO<sup>2</sup> emissions?

By way of introduction, a clarification is important. For the Vignal Group's activity, more than 97% of the greenhouse gases are produced when the fire is in operation on the industrial vehicle. The research and development teams have taken note and taken up the challenge to reduce our carbon impact.

One of the major actions was to ensure the switch from bulb lights to LED lights. This new generation of LED lights can reduce the power consumption of a light by 80%.

In addition, the electronic and thermal design of our lights allows the LEDs to last longer than the life of the vehicle.

### Switching to LED lights, but not only. . . other commitments to reduce our carbon footprint

#### scope 3

- to provide our customers with sustainable and economically viable fire solutions.
- designing products for a longer life than the life of the vehicle.
- facilitate the recyclability of products.
- locate our production and sources to avoid transport by boat and/or plane.
- organise lean production to optimise the use of buildings.

#### scope 2

- invest in low-energy machines.
- innovate in adiabatic cooling systems.
- generalise Led lighting in our buildings.
- investigate the installation of solar panels.

#### scope 1

- insulate our buildings.

## VIGNAL SPIRIT

Vignal was founded in 1919.

Today, Vignal has 6 industrial subsidiaries in France, Switzerland, the United States and China.

Their successes are based on the CSR values that drive their actions and lead them to progress year after year.

Vignal has made sustainable development one of its strategic priorities. Vignal naturally contributes, in its own way, to the respect of the 10 principles of the United Nations Global Compact.

### THE 10 PRINCIPLES OF THE UN GLOBAL COMPACT

#### **Human rights**

Support and respect the protection of international human rights law within its sphere of influence.  
Ensure that you are not complicit in violations of these rights.

#### **Labour rights**

Uphold freedom of association and the right to collective bargaining.  
Eliminate all forms of forced or compulsory labour.  
Ensure the effective abolition of child labour.  
Eliminate discrimination in employment and occupation.

#### **Environment**

Support a preventive approach to environmental challenges.  
Undertake initiatives to promote greater environmental responsibility.  
Encourage the development and diffusion of environmentally friendly technologies.

#### **fight against corruption**

Commit to fighting all forms of corruption within its sphere of influence, including extortion & bribery.



Cop 2021 - United Nations Global Compact  
Industrial and CSR Department  
Vignal Group - October 2021.

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