Warszawa, 15.05.2012

## United Nations Global Compact Communication on progress

Since its foundation, Calvia Sp. z o.o. has been actively supporting The Ten Principles of the UN Global Compact. From the very moment of its creation it has been trying to be a responsible corporate citizen. It was obvious from the beginning that such aspects like human rights, work standards, environment and corruption prevention would be raised and led to achieve the highest standards. In order to let the information disperse among all its stakeholders – employees, customers, suppliers and others – the company will include the Communication on Progress related to the Global Compact on the company's website. Further information on the progress in reaching the respective corporate goals will be found in communications that will be submitted each year in May.

Calvia's accession to the UN Global Compact initiative was a natural step, following the company's previous strivings, efforts and achievements aiming the implementation of the corporate social responsibility concept as well as of the idea of the sustainable development.

We are proud to announce that The Ten Principles of the UN Global Compact initiative have been included in the company's Code of Conduct. At Calvia we are also aware that in order to be a responsible corporate citizen we have to include and obey all the rules on the daily basis. Due to this, we are constantly trying to make sure that not only all our employees, but also each of our stakeholders is aware of this policy.

We are sure that proclaiming our support for this precious initiative today will result in a better world for everyone in future.

Datas Östasadb

Chief Executive Officer

Calvia Sp. z o.o.

UI. Dobra 56/68 PL-00-312 Warszawa POLAND

National Court Register Entry No. KRS 141470854

Tel: +46 31 7875000

E-mail: peter.ostgardh@sweldx.se

Tax Identification Number (NIP) 525-242-90-53

# UNITED NATIONS GLOBAL COMPACT COMMUNICATION ON PROGRESS

Since its foundation, Calvia Sp. z o.o. has been actively supporting The Ten Principles of the UN Global Compact. From the very moment of its creation it has been trying to be a responsible corporate citizen. It was obvious from the beginning that such aspects like human rights, work standards, environment and corruption prevention would be raised and led to achieve the highest standards. In order to let the information disperse among all its stakeholders – employees, customers, suppliers and others – the company has included the Communication on Progress related to the Global Compact on the company's website. Further information on the progress in reaching the respective corporate goals will be found in communications that will be submitted each year in May.

As far as all The Ten Principles are concerned, Calvia Sp. z o.o. undertakes efforts to embrace, support and enact, within its sphere of influence, a set of core values in the following areas:

- human rights,
- labour standards,
- environment,
- anti-corruption.

Analyzing the UN Global Compact's Ten Principles, Calvia Sp. z o.o. has followed each of them.

#### **HUMAN RIGHTS**

Principle 1: Business should support and respect the protection of internationally proclaimed human rights.

Principle 2: Make sure that international proclaimed human rights are not complicit in human rights abuses.

Calvia Sp. z o.o. has introduced an internal Code of Conduct, which enforces the company to be a reliable and fair business partner as well as employer at all times. It also enforces the company to act compliantly with all local, national and international standards, laws and directives.

Calvia Sp. z o.o. monitors its suppliers in order to ensure that they act in accordance with internationally recognized standards concerning human rights. The company cooperates with suppliers from different continents; this pressures the company to select the business partners more thoroughly and impose complying with human rights on them.

#### **LABOUR**

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: The elimination of all forms of forced or compulsory labour.

Principle 5: The effective abolition of child labour.

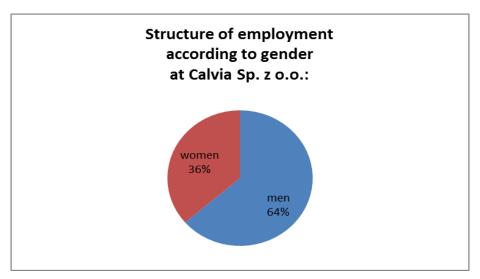
Principle 6: The elimination of discrimination in respect of employment and occupation.

Our employees are free to join trade unions and associations.

The Code of Conduct accepted by the company forbids forced labour and the company, being situated in Europe, works according to European and Polish labour regulations. The company strictly monitors our partner firms in order to avoid any case of forced or compulsory labour.

Child labour is also forbidden according to company's Code of Conduct. The company works according to the European and Polish law which does not allow for child labour. Additionally selecting partners from outside Europe, the company precisely controls them not to meet cases of child labour.

The company's Code of Conduct states clearly its "equal opportunity employer" status, which does not allow treating employees differently according to sex, age, ethnicity, religion, etc. and there is no case of preferential treatment for any employee due to the above mentioned aspects. The diagram below shows the structure of employment in terms of gender at Calvia Sp. z o.o. It should be noticed how high the ratio of employed women is within the company, when taking under consideration the profile of the company (welding branch in Poland is in major dominated by men).

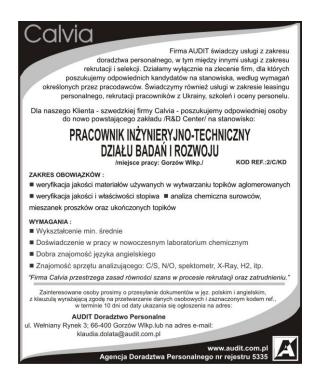


Source: internal materials of Calvia Sp. z o.o.

Moreover, it is a part of our policy to state clearly in each vacancy advertisement, that Calvia Sp. z o.o. is an "equal opportunity employer" by adding the following sentence: "Firma Calvia przestrzega zasad rowności szans w procesie rekrutacji oraz zatrudnieniu", as per examples below:







The company pays also particular attention to safety of its employees. Human lives as well as health issues are of the highest value. All the employees are obliged to regular medical screening. Apart from this, each new employee takes part in a health and safety training.

#### **ENVIRONMENT**

Principle 7: Businesses should support a precautionary approach to environmental challenges.

Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.

Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

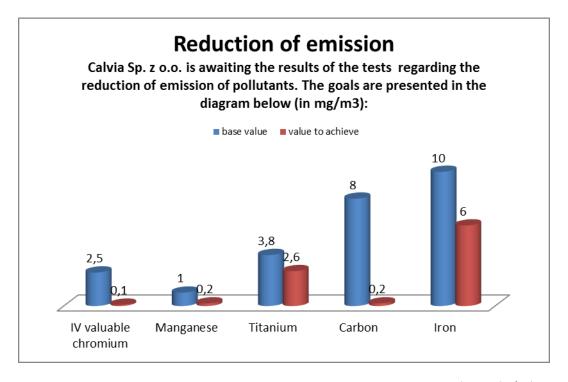
Calvia Sp. z o.o. supports a precautionary approach to environmental challenges. It can be best noticed in company's engagement in the field of research and development, where it has been involved in a program aiming to reduce the use of virgin raw materials.

Calvia Sp. z o.o. has also been participating in other activities aiming at improving the energy efficiency through the use of recuperate combustion technology. It has resulted in reduced energy consumption by approximately 30%.

Further, the company undertakes efforts to meet European Union REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) Regulation. The aim of REACH is to improve the protection of human health and the environment through the better and earlier identification of the intrinsic properties of chemical substances.

Calvia Sp. z o.o. has chosen to use natural gas as an alternative for, so common in Poland, coal heating technology. The idea has been influenced by the company's environmental awareness as natural gas is acknowledged as an environment friendly solution in comparison to coal.

As the new filter system was installed last year, Calvia Sp. z o.o. has recently decided to examine its efficiency in terms of the reduction of the dust emission. The control was carried out by an independent company and currently Calvia is awaiting the final results. The diagram below presents the comparison of the base values (as per average in this type of industry) and the values that Calvia Sp. z o.o. expects to achieve.



Source: internal materials of Calvia Sp. z o.o.

From the architectural point of view, the building of the company was also well thought over, with particular sensitiveness for environmental aspects. The production unit is well illuminated by the natural light thanks to huge windows running across the whole roof. It allows lower consumption of energy as well as a better environment for the employees.

Moreover the whole construction has been specially adjusted in order to minimize the possible outcome of heat. Even a highly efficient insulation has been used.

Calvia Sp. z o.o. promotes greater environmental responsibility. The company's policy not only imposes the pro-ecological behavior but also educates in this area. All our employees are asked to add the following information at the end of each e-mail: "Consider the environment. Print only when necessary". Moreover Calvia has obliged their employees to reduce the amount of paper used as well as to use both sides of a sheet of paper when appropriate.

The consumable, such as printer cartridges, bulbs and batteries are also subject to a special procedure of disposal at Calvia Sp. z o.o. which is believed to be a step in transformation of attitude towards waste.

Calvia Sp. z o.o. believes that such behavior will influence its employees' customs which will result in a more careful environmental approach even outside the company.

#### **ANTI-CORRUPTION**

### Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

We are proud to confirm that there was no case of corruption in the company's history. Nevertheless, in order to continue such a fair-play strategy, the company's Code of Conduct refers also to this matter. It is clearly stated that offering, accepting or expressing a will to accept a bribe by any of the Calvia's employee is subject to disciplinary sanctions, including employment termination and criminal charges.

Moreover, in order to keep all the purchasing processes transparent, all the buying decisions are made by a group and not by a single person.

Calvia Sp. z o.o. not only is a fair player, but also requires such attitude from its business partners. According to the company's Code of Conduct, it expects also its partners to refrain from bribery or any other form of corruption.

According to the plan for the years 2011-2012, Calvia Sp. z o.o. has begun to ask its suppliers and other business partners to acknowledge the company's policy regarding The Ten Principles and support such attitude. They are asked to sign the relevant agreement, which obliges Calvia's suppliers to obey the same rules as these settled in Calvia's policy.

Calvia is very proud of its membership in the UN Global Compact initiative. Its accession, even though followed by many restrictions, was well thought over and led to a better understanding of the threats of today's world. This initiative has forced us to raise the subject not only within the company, but also in relations within the whole Calvia's business environment. Calvia makes all its efforts to assure that each of the company's employees is aware of its membership in the UN Global Compact initiative and respects The Ten Principles.

The next step in Calvia's engagement in the UN Global Compact issues, planned for the years 2012-2013, is to implement a project aiming to further reduce the use of virgin raw materials.