

UN Global Compact Communication on Progress DAFA A/S 2012 / 2013 – February 19th 2013.

Dear Mr. Secretary-General

In 2010 DAFA A/S joined UN Global Compact, the world's largest initiative for corporate social responsibility. DAFA A/S is private owned Danish companies with more than 70 years of experience on the marked were we operate. DAFA A/S develops, manufactures and supplies a wide range of products and total solutions that seal, absorb and protect in construction and industry.

DAFA A/S headquarter is placed in Denmark including our largest production facility. DAFA has in 2012 become more global orientated and are now operating with sales companies in Sweden, Germany and China and manufacturing facilities in China.

DAFA is also represented in the United States, so that the company now has the opportunity to support its customers from the three main global regions EMEA, Asia and America.

Both profit, planet and people matters to DAFA A/S. Based upon our history we regard our way of doing business as a sustainable success with a sound balance between economic, ecological, social responsibility and social performance.

As we expect to develop our company into further more globalized business operations it is natural for us to include our ethic standards in a global perspective. In the UN Global Compact we are giving a frame that enables us to do so in a formalized manner and demonstrate our continuing commitment to advancing the ten principles of the Global Compact in both policies and business operations.

This is our third UN Global Communication on progress. The focus areas in 2012 have been:

- We have implemented our DAFA Supplier Code of Conduct in China in the selection of new suppliers. As a part of this Code of Conduct we have widespread awareness of the UN Global Compact among Chinese suppliers.
- We have introduced our DAFA Airstop System™ in Europe. A system that reduces energy consumption in households.
- We have reduced our CO2 emissions by implementing solar cells.
- We have replaced hazardous substances with reusable no environmentally harmful substances
- We have conducted an employee satisfaction survey. Employees at DAFA have in average rated the questions in the survey to 3.89 on a scale from 1-5. The survey response rate was 89.2%. Furthermore the employees have stated that they would highly recommend DAFAs as a place to work.
- We have financial contributed to the Danish Cancer Society for children with cancer.
- We have employed young people that need a new change in life.
- We have in cooperation with the Danish authorities created meaningful jobs for people that are inserted in the Danish prisons.

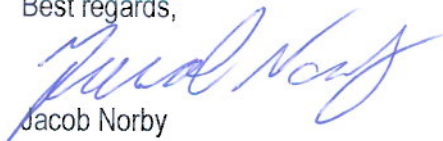
In 2013 we will be focusing on:

- Reducing our CO2 emissions by 7.5% compared with 2012 by increasing our solar cell system and implementing new low energy production equipment.
- Reduction of water consumption by recycling water used for processing and reducing our used off hazardous substances.
- Recertification of our ISO 14001
- Ensuring that our local management handbook becomes global by being implemented at our production facilities in China.
- Expanding our DAFA Supplier Code of Conduct in China in the selection of new suppliers.
- We will increase our social responsibility and involvement in Denmark.

We constantly aim for continuous improvements in the whole organization and we believe that how we handle the impacts from our improvements is our responsibility. We are very aware of our limited size seen from a global aspect but we know we make a difference in our local business area.

By using UN Global Compact as our overall guideline and lever we will extend our sustainable business ethics while striving for our vision of becoming a more global company. We look forward in the years to come to communicate our progress.

Best regards,



Jacob Norby

Managing Director, DAFA A/S