
Pressalit Group A/S

Communication on Progress 2005/2006

Reporting on UN's Global Compact

About Pressalit Group

Pressalit was established in 1954 and today Pressalit Group A/S is one of the leading European manufacturers of toilet seats and specialised bathroom and toilet solutions for people with disabilities.

Pressalit Group includes 3 independent divisions - Pressalit, Pressalit Care and SaniScan - each pursuing individual objectives and dealing with individual segments, but sharing a thriving culture, based upon a common set of values: We listen. We give. We play. We act.

In 2005 Pressalit Group's 470 employees created a turnover of DKK 541 mill., primarily in the European markets. Export share is 80%.

1. Statement from the CEO

Looking back, two main areas within the Global Compact scope have been particularly successful and have shown remarkable progress during the last year. First of all, the 10 Global Compact principles have been a major part in the implementation of Pressalit Group's new sourcing policy. This means a more active dialogue on CSR issues with our key suppliers, especially businesses based in Asia. And secondly, the promotion of environmental responsibility has been strengthened with Pressalit Group's upgrade to the ISO14001:2004 certification.

The following pages of this Communication on Progress list a range of the actions taken within our business in order to promote the 10 principles.

I hereby wish to state our continued support for the Global Compact.



Kim Boyter
CEO

2. Description of Practical Actions taken and Process of Implementation used

2a: List of results in selected areas:

No.	Global Compact Principle	Results 2005/2006
2	Business should make sure that they are not complicit in human rights abuses	<p>Pressalit Group has issued a letter to international key suppliers, stating our dedication to and our wish to promote the 10 UN Global Compact principles. The letter stresses that suppliers working in according with the principles will be our preferred suppliers.</p> <p>We ask the suppliers to return a written statement that says that their company complies with the 10 principles of the UN's Global Compact. Furthermore we ask the suppliers to describe how they ensure that ongoing improvements are made to the process.</p>
4	Elimination of all forms of forced and compulsory labour	Pressalit Group's suppliers are required to confirm that no compulsory labour in any form is used
5	Elimination of all forms of forced and compulsory labour	Pressalit Group's suppliers are required to confirm that no child labour in any form is used
6	The elimination of discrimination in respect of employment and occupation	<p>Pressalit Group participates actively in the integration of citizens with foreign ethnic backgrounds, thus stimulating the ongoing elimination of discrimination in respect of employment. For example, Pressalit Group has been participating in the integration project called "Ry – An Inclusive Community", working closely with local NGO's and the municipality employment offices.</p> <p>Through this project, we are helping ethnic minorities in Denmark gain access to occupation, by providing a job at Pressalit Group, sometimes combined with special training in order to update the employees' Danish language skills.</p> <p>In Pressalit Group, CSR has a constant focus. In 2006, we received the Danish "S-diploma" – a special certification for excellence in CSR issues – for the 2nd time.</p>
7	Businesses should support a precautionary approach to environmental challenges	<p>The handling of day to day environmental issues has been moved from a staff to a line function, giving a more active, user-driven administration.</p> <p>In 2006, our environmental certification was upgraded to ISO14001:2004.</p>

8	Undertake initiatives to promote greater environmental responsibility	<p>Pressalit Group has upgraded the internal procedures regarding environmental issues in order to comply with the new EU REACH directive on dangerous chemicals. We have established an approval procedure that aims at clarifying the exposure to the environment already at the point of chemical purchase.</p> <p>Pressalit Group undertakes, as a minimum, to observe all legislative requirements within the environmental area and furthermore observe our own requirements on production and operation as listed below.</p> <ul style="list-style-type: none"> • We monitor and record our energy consumption. By replacement, modernization and adaptation of facilities and equipment, efforts are made to reduce the energy consumption. • Where at all possible potentially hazardous materials are replaced by environmentally friendly ones. • We search for internal and external ways to recover and recycle waste from our production. • The company cooperates actively with the authorities on environmental issues. • We wish to extend and improve collaboration with our suppliers and subcontractors on environmental issues concerning both process and product. • The employees are being motivated to a high degree of environmental awareness through training and measurable objectives and targets.
9	Encourage the development and diffusion of environmentally friendly technologies	<p>Pressalit Group includes environmental as well as energy concerns as an integral part of all major decisions concerning changes in our activity.</p>

2b - Case: Promoting Global Compact compliance among our suppliers

Summary

In 2006 Pressalit Group has sent out a letter to our international key suppliers, stating our dedication to the UN's Global Compact. The intention is to ensure that all our key suppliers accept and comply with the 10 UN Global Compact principles.

Activities

We have sent out a letter to our key suppliers about our commitment to the UN's Global Compact and our wish to comply with the 10 principles. In the letter we stress that companies working in according with the principles will be our preferred suppliers.

We draw attention to the 10 principles and ask our key suppliers to return a written statement that says that their company complies with the principles of the UN's Global Compact. Furthermore, we ask them to describe how they ensure that ongoing improvements are made to the process. Enclosed is also a letter from Kim Boyter, CEO, in which he stresses Pressalit Group's commitment to corporate social responsibility and our continued support for the Global Compact.

We aim to follow up the written statements from our suppliers with a visit, where we ourselves have the opportunity to evaluate whether they comply with the principles. In 2006 Michael Vestergaard, Sourcing Director, has for instance been to China where he visited a supplier to check whether their conditions comply with the standards defined by the UN's Global Compact. During 2007 we will continue to carry out physically checks of our suppliers with the intention of ensuring that all our key suppliers comply with the demands.

3. Expected outcomes and actions in 2006/2007

1. Pressalit Group is participating in a project called High:Five, initiated by the Danish National Network of Managing Directors. The project has the intention of helping young people at the edge of the law to obtain employment or start an education. The overall aim of the initiative is in the future to secure better job and education possibilities for young people at the risk of being marginalised due to crime. COO Dan Boyter, is a member of the steering committee of the project, and Pressalit Group aims to offer a job to one or more of the young people in the target group of the project.

2. We will carry out an extensive internal examination (SWOT) with the intention of setting up specific plans for more determined CSR activities in the future.

3. We will continue activities to secure that our key suppliers accept and comply with the principles of the UN Global Compact.

Ry, December 2006

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