

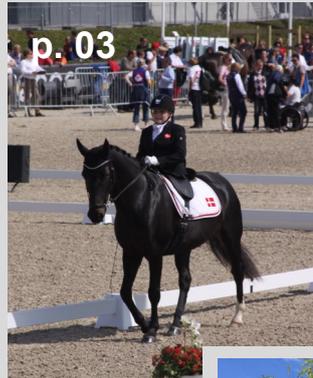


PRESSAL T.[®]
Global Compact

Communication on Progress

2013

Contents



01	The Executive Vice President's report
02	About Pressalit
02	Values of Pressalit
03	Special activities 2013
05	Human Rights
05	Diversity
06	Trainees and interns
07	Interns
07	Semester internship
08	Competence Centre Skanderborg and Youth Education Guidance
09	Labour
09	Absence
10	Health check
11	Employment with special conditions
12	Diet
12	Exercise
13	Environment
14	Anti-Corruption
15	Follow-up on goals for 2013
16	Goals for 2014

The Executive Vice President's report

In this report we want to present some of the activities, challenges and results for 2013 which have to do with our commitment to the Global Compact. In 2013, Pressalit has maintained the level we presented in 2012. In spite of the fact that times are challenging, we still aim high. This also applies to our CSR-related initiatives where we strive to maintain momentum in a time of crisis.

This year, one of our main focuses has been on developing and increasing our efforts to help young people with special needs get an education. This means, among other things, that we have hired more trainees.

The report is built around the ten principles from the Global Compact to give an insight into our intentions, initiatives and actions. With this, we hope that the report is easy-to-read and inviting.

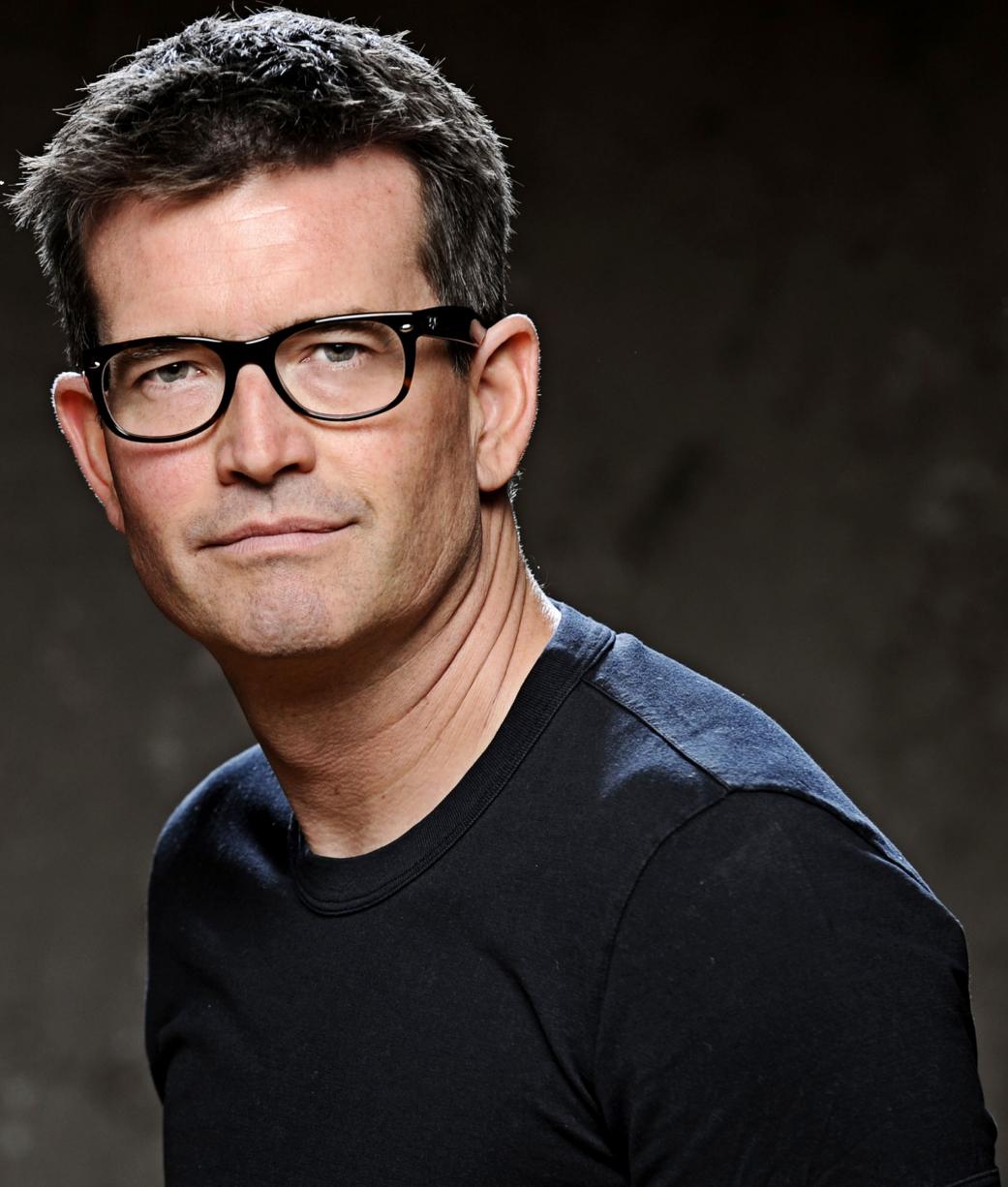
With this report, I wish to demonstrate our continued support of the Global Compact.

Best regards



Executive Vice President

Pressalit A/S



Communication on Progress 2013

About Pressalit and the Global Compact initiative

Pressalit is one of Europe's leading suppliers of toilet seats (Pressalit Seats) and kitchen and bathroom solutions for people with disabilities (Pressalit Care). Owned by the Boyter family, Pressalit has been headquartered in Ry, Denmark since its founding in 1954. Pressalit now has 376 employees and 7 subsidiaries.

Pressalit has supported the Global Compact initiative since 2002 and has always strived to promote this good message in communications to all Pressalit employees

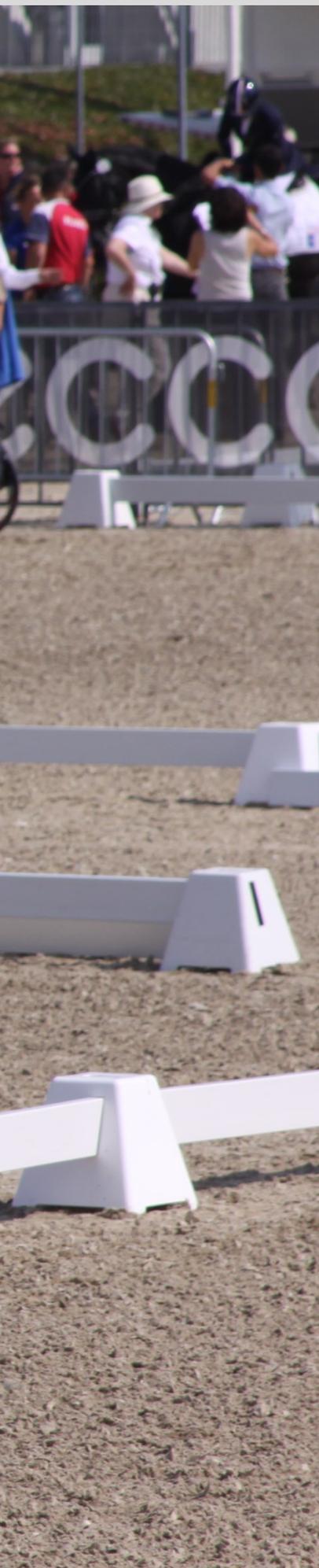
and in connection with knowledge sharing activities outside of the company. Social responsibility has always been a part of Pressalit's agenda. Since its founding, the company's management has been dedicated to taking social responsibility as a partner and member of the community in the local town of Ry. Therefore, we were also proud to win the 2011 CSR People Prize, the highest CSR distinction of its kind in Denmark, for our efforts in the area of Corporate Social Responsibility.

Values of Pressalit

The values of Pressalit form the roots of the company's culture and the foundation for the company's actions and activities. Our values are as follows: We listen. We give. We play. We act. The core of our CSR work is our involvement in the Global Compact and the ethical guidelines we have formulated on the basis of the UN recommendations for responsible behaviour by business owners and leaders. On this basis, we have identi-

fied three core areas in our CSR work: Joint Responsibility, Employees and Environment. Within these core areas, we seek to take our responsibility in a conscious manner and contribute to a world outside the company's internal sphere, we take care of the employees who have chosen Pressalit as a workplace, and we act responsibly in the environmental arena.





Special activities in 2013

2013 was a great year for the Danish disabled athletes. In August, Pressalit had the pleasure of attending the European Championships in jumping, dressage and para-dressage as it took place in Herning, Denmark. For the first time ever, the European Championship in para-dressage was held at the same time and place as the ordinary disciplines. Because of Pressalit's great interest in disabled sports and our role as a main sponsor of Danish Sports Organisation for the Disabled (DHIF), it was with particular excitement that we watched Stinna Tange Kaastrup, among others. In total, the Danish para-riders took home five bronze medals, including one medal in the team competition.

In 2013, Pressalit also had the pleasure of handing out our Keep Living award. The Keep Living award praises disabled athletes who set a good example through their specific sport and show that obstacles are not an option. This year, the Danish national team in wheelchair rugby won the award. The national team brought home an impressive silver medal from the European Championships in Belgium. We look forward to watching their participation in the coming World Championship in Odense in August 2014.

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: make sure that they are not complicit in human rights abuses.

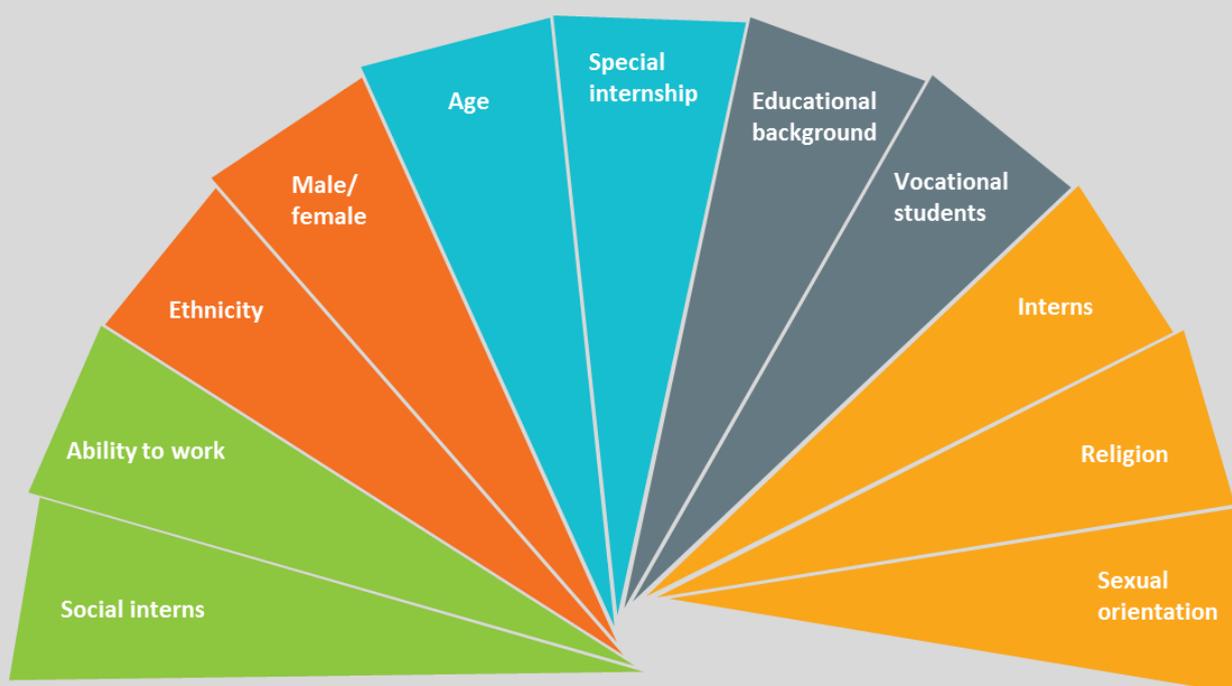
Diversity



At Pressalit, the Global Compact's two principles on human rights are closely tied to our thoughts and views on being a company that believes diversity makes us stronger. Thus we assign great importance to diversity and we have defined it according to the fan below consisting of eleven parameters.

Based on our views on diversity, we work to ensure the most diverse staff possible in every department of

Pressalit. In 2011 we implemented a "spectrum of diversity" programme requiring managers at Pressalit to consider the composition of employees in each department. The managers had to choose three parameters on which they would achieve diversity. We use these parameters in connection with recruitment, which means that the composition of the staff is taken into consideration when hiring new employees.



Trainees and interns

In Denmark there is a strong focus on the fact that many young people have a hard time finding trainee positions in connection with their vocational education, which requires a combination of school instruction and practical training in a company. Pressalit strives to be a responsible company in this area. We want to ensure close interaction with the educational system and the young people in need of a trainee position to complete their education.

Over the years, Pressalit has seen trainee and intern programmes as a natural part of our social responsibility. We have trainees and apprentices in numerous departments, from production and logistics to finance and sales.

Trainees and apprentices are part of a network in Pressalit that meets once every other month to discuss joint projects. For example, the trainees and interns attend to the many requests to visit our production facilities from associations, schools, other companies, etc. The trainees and interns also take turns to participate in external activities, where they tell others about being a trainee in Pressalit. This could be at Job Dating at Aarhus Business College or other places where we meet students at eye level and try to give the students a picture of Pressalit as a company. In the network in Pressalit, the trainees and interns work together on different tasks, including the composition of a folder about being a trainee in Pressalit that they bring

to external activities. In addition to this, the trainees and apprentices participate in the planning and carrying out of events in the company. Examples include the annual food day, where the network is responsible for preparing lunch for the rest of the company. Every year at Christmas, Pressalit is visited by local kindergartens that help decorate Christmas trees around the company. The trainees and interns are responsible for this event, too. To us, the various tasks that the trainees and apprentices have to plan and carry out are a natural part of the trainee's development at Pressalit. First and foremost, we believe that the achieved learning from working together is useful now, but this learning will also be useful further into the trainee's career.





Interns

We work with three different types of internships at Pressalit: we offer students from institutions of higher education a semester-long internship at the company and the opportunity to write their thesis with Pressalit as a case company. We offer work experience positions as a part of the vocational education system. Lastly, we offer internships for the unemployed and those seeking to clarify their ability to work following long-term absence from the labour market due to sickness.

Semester internship

Every year, Pressalit offers opportunities of internships for students enrolled in a course of higher education. No salary is paid to students in internships, which usually last about six months. We strive to ensure that both students and Pressalit benefit from these internships. Students are expected to contribute with new knowledge, creative ideas and the ability to put theory into practice. In return, we offer challenges, sparring and a good environment for learning and development.

In 2013, Pressalit participated in two events at the Aarhus School of Business and Social Sciences. We were invited to the event "A Day With Pressalit" in September, and in October we attended "Company Dating". Both events are part of the sponsorship agreement we have with Aarhus University to strengthen our external Employer Brand in relation to the relevant target group of business and engi-

neering students. Our primary objective by participating in these events was to find candidates for the spring internships in HR, Communication, Marketing and Sales. We want to meet the students face to face and promote Pressalit as a workplace by talking with them – thus we also brought our current trainees and interns with us as Pressalit ambassadors. Many students took the opportunity to have an informal chat with us about everything from the specific internships to our business, products, company culture and values. The many talks with interested students have already shown positive results, as we are receiving a steady and strong flow of applications from qualified students.

Competence Centre Skanderborg and Youth Guidance Centre



For the past three years, Pressalit has had an agreement with Competence Center Skanderborg. Under the agreement, the company makes what corresponds to five full time jobs distributed over various short-term internships available for people who for one reason or another are outside of the labour market. Pressalit seeks to include the trainees in every department and at every level of the organization to the greatest extent possible.

In addition to our agreement with the Competence Center Skanderborg, we have also reached an agreement with the local Youth Guidance Centre. The purpose of this agreement is to prepare and help young people to get an education or a job. For example, it could be about in which direction to go or what it means to be in the workplace. This preparation, therefore, is both personal and professional.

From the company's perspective, we see the trainees as an opportunity to get a helping hand with solving some

tasks; in return, some of the company's employees spend some time on a recruitment conversation, task planning, follow up and reporting to the trainee and the municipality – in addition to the hours that are spent on introducing the employee to the department. An added benefit of meeting these trainees is that we at Pressalit gain an insight into different people and lives that we do not normally encounter at our workplace. For example, we have had a number of trainees who have been through long periods of stress and are now starting to get back on their feet in the labour market through a trainee position at Pressalit. Such trainees provide us with a good understanding of the potential effects of stress and how to handle employees returning to the labour market. Hereby, leaders in Pressalit build up knowledge and an understanding for the problems that might arise to our employees.

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 and compulsory labour;

Principle 5: the effective abolition of child labour; and

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

Absence

In recent years, Pressalit has worked hard to reduce absences among staff employed on conditions similar to those of salaried employees. Pressalit has a goal of a 3 per cent average rate at the company level. In 2013, we have seen a reduction in the level of short-term absence.



Health check

From 2011 to 2012, Pressalit participated in a large-scale health project in collaboration with the National Research Centre for the Working Environment. The results from the project's Health Check 1 and 2 still function as a basis for our work to improve the health and well-being of our employees. In 2013, a follow-up on the health checks was made. Here, focus was on our work environment and the degree to which employees are burdened by their work. The daily work in Pressalit includes heavy lifts and great ergonomic challenges. In relation to this, we invited a physiotherapist to teach us how to handle these challenges in the best possible way.



3 focus areas in 2013

Employment with special conditions

In 2013, focus has not been on increasing the number of employees with special conditions working in Pressalit. Since 2012, this number has been approximately 6 per cent. Instead, we have concentrated on enhancing our initiatives regarding the young workforce. In 2012, the first trainee completed his basic vocational training (BVT) at Pressalit, and since then we have hired three BVT trainees in our kitchen and one in maintenance of buildings. The BVT programmes are typically two years long, involving practical tasks to equip trainees with professional skills and experience in being part of a working culture, thereby strengthening and expanding the personal and social skills of the trainee. The programme is individually tailored, with trainees participating in some courses along the way (e.g. labour market training courses) or other instruction to supplement their completed primary education.

19 employees work in Pressalit's Facility Services, which cover the Cafés, Cleaning Services, Reception and Maintenance. From these 19 employees, only one is hired on ordinary conditions. The remaining 18 employees are hired on special conditions, which means either as a BVT trainee or in a flexible job. Thus, our present 4 BVT trainees and 19 flexible workers make up 8.6 per cent of the workforce.

In the Cleaning Services, we introduced a job rotation



project for the employees, offering them the opportunity to get training in cleaning techniques, and in addition the opportunity to take the further education as a service assistant through a credit programme. Employees receive full pay during training and the company hires a temporary replacement with full pay while the employee is attending the course. This scheme is an employment tool to help unemployed persons back into the labour market and to train current employees. The job rotation project is thus without financial costs for Pressalit. In 2013, the first employee in Pressalit completed the training in cleaning techniques. Two employees have started the training in senior school and they are expected to be fully trained in March 2014. This opportunity is still available to the employees. The intention with the job rotation was to give employees on flexible conditions an opportunity to earn formal professional competencies and certificates of their abilities, while also give unemployed persons the opportunity to be a part of the company during the time the employee is taking the course. Ultimately, we hope that the idea will spread so that more unskilled employees gain a professional boost in competencies for the benefit of themselves, the company and society as a whole.

Diet

It is important to the company to offer its employees a variety of healthy, tasty, well-prepared and nutritious foods every day. The lunch breaks are a natural part of the working hours in Pressalit as we believe that nutrition influences the well-being of our employees.

The food offered through the company's lunch programme is generally very healthy, including large amounts



Exercise

In addition to our focus on a healthy diet, Pressalit also focuses on exercise by offering exercise opportunities to our employees. For example, a spinning group meets once a week, while others attend family swimming or relaxation groups. It is also possible to establish new exercise groups by gathering 12-15 employees interested in participating. Based on the report from the health check in 2012, we know that a larger proportion of employees desire more exercise opportunities through their employment with the company. The working group of the health project continuously stays updated on wishes and ideas for specific exercise initiatives, however; so far they have not succeeded in finding more initiatives than those

of fruit and vegetables and homemade whole grain bread, as well as the hot dish of the day and various sandwich options.

All employees at Pressalit automatically get enrolled in the lunch programme and thus also are deducted the cost charged to employees. Pressalit thereby hopes to make a healthy impact on dietary habits and generate greater support for the company's lunch programme.



already in place.

With inspiration from a company visit to Midtvask, we have implemented a couple of pilot projects with a few minutes of elastic band training during working hours. Based on training from an occupational therapist, a group of employees were introduced to using elastic bands for short exercises that benefit different muscle groups. The background for implementing the training with elastic bands is that the National Research Centre for the Working Environment conducted a study showing that just 2 minutes of daily training can reduce pain in the neck and shoulders.

Environment



*Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: undertake initiatives to promote greater environmental responsibility; and
Principle 9: encourage the development and diffusion of environmentally friendly technologies.*

In 2013, our ambitions within the environmental field have not been lowered. In Pressalit we strive to live in harmony with our environment and our neighbours as well as the nature that surrounds us. Our efforts are not only about complying with legislation in the environmental field, but rather about being proactive in our efforts to reduce our own impact on the environment.

In 2013 we have continued working with our ambitious goal of reducing the consumption of energy by 15 per cent by 2015. We have worked to put ideas into actions so that we reach our goal in time. Our focus has been on both the consumption of electricity and on the consumption of district heating and we have examined how to reduce these. The total consumption consists of three main categories of which we decided to work with two of these in 2013. One of them is the category of base load which is the term for the basic consump-

tion, e.g. lights. In 2013 we invested 120,000 DKK in new and more environmentally friendly strip lights – a relatively small investment with a payback time of approximately 8 months. In addition to the category of base load, we have worked with the category of idling. This category concerns the consumption of electricity in relation to preparing the production processes (before producing anything). This could be the start-up of ventilation and heating of pressing machines, for example. In 2013, we examined how to make use of the capacity of our ventilation. As a result, we made a bypass in a part of the system in order to exploit the energy in the remaining part. Our initiatives within these two categories have resulted in a reduction in the consumption of electricity from 1.55 kW/unit to 1.48 kW/unit. Apart from improving our ventilation system, we also improved our control of room temperatures.



Anti-Corruption

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

In 2013, Pressalit has continued to strengthen our anti-corruption efforts. Anti-corruption is part of our Code of Conduct among four other areas. Our Code of Conduct is a permanent element of employee recruitment ensuring that the company's positions on important issues such as anti-corruption are present from employees' first contact with Pressalit. Furthermore, our Code of Conduct is incorporated in an e-learning programme that is available to all employees. With the e-learning programme we wish to show the different aspects of the ethical guidelines to give employees an understanding of their personal responsibility to abide by the

guidelines on appropriate behaviour – even if the individual employee does not have job assignments where such questions come into play. In addition to this, the e-learning programme is a regular part of the introduction to new employees.

In Pressalit, it is not only the employees who have to live up to Pressalit's demands for anti-corruption. The same applies to our suppliers. In 2013, we have increased our focus on auditing of suppliers to thoroughly ensure that they comply with our ethical set of rules.



Follow-up on goals for 2013

In 2013, Pressalit:



- Maintained its level of trainees/interns at approx. 1.7 per cent
- Increased our efforts regarding employment with special conditions, for instance by working with BVT students and employees in flexible jobs as one group. Thus, the total level of employees with special conditions is 8.6 per cent
- Worked with the division of interns in Pressalit to ensure that interns are present in several departments in the organisation, and thereby that more employees will benefit from the interns' presence
- Had 9 semester interns from 2 different educational institutions, in 3 different departments
- Managed to maintain the historic satisfactory result in absences – but without reaching the goal of 2 per cent in short-term absences and 1 per cent in long-term absences, unfortunately
- For information about environmental results, reference is made to the green accounts at www.pressalit.dk

Goals for 2014

- Maximum absence rate of 3 per cent
(2 per cent in short-term absences and 1 per cent in long-term absences)
- Maintain a level of 2 per cent of trainees/interns (1 per cent BVT)
- Secure a level of at least 5 per cent employees with special conditions
- To have 10 trainees in social trainee programmes
- To have 4 people in internships as a part of their basic business training studies
- Continued reduction of environmental impact in accordance with the green accounts on our website