

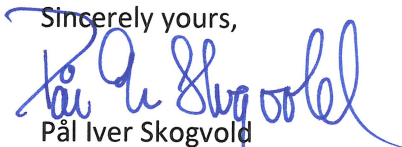
Narvik, 31.12.2015

To our stakeholders

I am pleased to confirm that Taraldsvik AS and its subsidiaries reaffirms its support of the ten principles of the United Nations Global Compact in the areas of Human rights, Labour, Environment and Anti-corruption.

In this annual Communication on Progress (COP), we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,



Pål Iver Skogvold
CEO/Managing Director
Taraldsvik AS

Description of measures taken in Taraldsvik Group in 2015

In 2015 Taraldsvik Group (TAS) completed a strategic process to clarify objectives for operations in both short and long terms. As a result of this process, the Group has prepared and adopted:

1. Core values
2. Code of Conduct
3. Management Principles

The ten principles of the UN's Global Compact are used and implemented in both our core values, code of conduct and management principles.

These rules have been prepared by and approved by the company's extended management team. Subsequently, the company's top management presented and reviewed these at an open meeting with all company employees. We have produced charts that are posted on all corporate facilities. In addition, we produced a pocket-version distributed to all employees.

All management and staff meetings begin with a review of basic values, code of conduct and management principles and it is discussed whether everyday situations that we experience is in accordance with company policy.

In 2016 it will be implemented further measures to ensure that the core values, code of conduct and management principles are implemented in all levels of the enterprise.

General measures applicable to all four areas:

1. The company's CEO has in 2015 written declared that our business should support and implement the UN Global Compact's ten principles.
2. The managements yearly system review will also consider whether our business operates in accordance with the UN Global Compact in each of the four core areas.

Human Rights

1. In 2015 Taraldsvik Group (TAS) stated that "responsibility" is one of the core values that our business should be built on. In the core values its explicitly stated that all employees have the following obligations:
 - a. "I oblige to follow laws, regulations and applicable standards."
 - b. "I oblige to comply with our values and act professionally with high ethical and moral standards"
2. TAS has identified that improving the quality of suppliers and subcontractors is important to ensure that our operations are not indirectly involved in human rights abuses.

Labor standards

1. TAS are members of the employers 'organizations "Machine Entrepreneur Association" (MEF) and "Norwegian Truck Owners' Association" (NLF). The business is actively participating in the organizational work and have entered into collective agreements with the employee organizations or local agreements with our employees' representatives. Our CEO is a board member of the regional department of MEF.

2. We have regular meetings with union representatives and conduct annual collective bargaining with the unions, based on the Basic Agreement between the Norwegian main organisations - LO and NHO.
3. In our code of conducts paragraph we oblige: "I will contribute to a work environment free from discrimination, harassment and bullying."
4. TAS has also pointed out that improving the quality of suppliers and subcontractors are important to ensure that these are of a high standard in this area.

Environment

1. In 2015 Taraldsvik Group (TAS) decided that "openness" is one of the core values that our business should be built on. All our actions will bear scrutiny, including in relation to internal and external environment.
2. We have established a Work Environment Committee that has regular meetings discussing matters related to environment, work environment and employer safety. We are affiliated to an occupational health organisation who actively participate in these meetings. We have also performed several internal inspections focusing on health, safety and environment.
3. In our code of conduct we have adopted the following commitment: "I have a strong focus on Health, Safety and Environment.
4. TAS has adopted electronic monitoring systems that monitor the use of all machines and vehicles. Reports from this system are reviewed together with the drivers to ensure economic and ecological use, as well as limiting vehicle idling.
5. TAS also have a strong focus on maintaining a modern and environmentally friendly fleet and a good preventive maintenance to ensure maximum efficiency and minimize environmental impact. We have in 2015 introduced routines for daily maintenance to be performed and are reported. This aims to prevent and limit the risk of hazardous emissions to the environment from our operations.

Anti-corruption

1. In 2015 TAS decided that "accountability" is one of the basic values that our business should be built on. We also explicitly stated that all employees have the following obligation:
 - a. "I have zero tolerance for bribery and corruption."
2. From TAS management principles all leaders are committed through their leadership to ensure that this is respected by all employees.

The way forward - planned measures in 2016

TAS have adopted a plan for further implementation of the ten principles in everyday business operations in 2016:

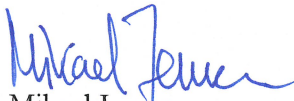
- TAS support to the UN Global Compact are to be marketed better in-house
- Management will prepare information about the UN Global Compact and Human Rights to postings on all corporate work-sites

- TAS will develop and implement procedures to ensure that our suppliers and subcontractors are operating in accordance with the UN Global Compact's ten principles. Vendors that can document operating in accordance with the ten principles will be preferred before suppliers who do not.
- A brief statement of the organization's activities and results regarding the UN Global Compact's ten principles will be stated in our annual reports for 2015 and forward.

Measuring results

TAS has in 2015 had a significant focus on defining the UN Global Compact's ten principles into business core values, code of conduct and management principles. In 2016 there will be an increased focus on practical implementation of these principles in the company's daily operations. During the first half of 2016 we will identify which parameters our business will use to measure the results we have achieved.

Narvik, 02/18/2016



Mikael Jensen
HR Manager
Taraldsvik AS