

UN Global Compact

Communication on progress 2016-2017



MOBELTRANSPORT DANMARK



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COMMITMENT FROM OUR CEO

I hereby present Møbeltransport Denmark's fourth communication on progress report, reaffirming our continued commitment and support for the Ten Principles of the UN Global Compact.

As Denmark's largest service provider within the moving and relocation industry, we are continuously expanding and developing our business activities. We aspire to uphold our marked leader position, by providing quality services, innovative technology and the best customer service.

To support this vision we have with in the previous year, made several large investments into more energy and resource-friendly solutions. Aside from investing in new more fuel-efficient trucks that fit the different cargo requirements of our customers, we have also invested in new Fine Art crates with a lifespan several times longer than traditional wooden crates. Møbeltransport Denmark's business investments and the development of our services go hand in hand with UN Global Compacts requirement of continuously improvement within the areas of Environment, Human Rights, Labour and Anti-Corruption.

In 2016 Carve Consulting conducted a study of Danish companies' communication on progress for UN Global Compact.

Møbeltransport Denmark is proud to have our Global Compact COP be exemplified in the report, as an illustration of good and open communication on risk assessment and management.

The Carve Consulting study investigated if Global Compact members, are more prepared to live up to the new requirement of the Danish governments' Financial Statements Act §99a on communication of corporate responsibility and due diligence in annual reports. Carve Consulting investigated 279 Danish case companies and set forth 9 examples in their report, that show good practice of how requirements can be met in a way that also creates value. For Møbeltransport Denmark to be highlighted among prominent Danish companies such as Pandora, Vestas Wind Systems, Coloplast and Tryg among others, is a testimony to how far we have come in our work with compliance issues in our Group of companies.

We continue to be committed to ensuring that our business is performed and developed in a sustainable and ethical manner, and we look forward to continue our support to the United Nations Global Compact principals and to fulfill our commitment as a signatory of the UN Global Compact.



A handwritten signature in black ink, appearing to read 'Niels Bach', written over a horizontal line.

Niels Bach
CEO



ABOUT US IN BRIEF

Møbeltransport Danmark can be traced back to 1879 and is today Denmark's largest moving and relocation Company. With offices in Denmark's four largest urban areas and several affiliates in both Denmark, Sweden and Spain, we can provide a wide range of services within moving and relocation to our customers, globally as well as locally.

Nationally, Møbeltransport Danmark conducts quality office- and private moves, storage of household goods and is the largest provider of logistics of fine art transport. Our Danish affiliate Reloc A/S specialize in logistic planning and carrying out office relocations and domicile change. Reloc A/S helps customers with everything from interior design drawings, IT cabling and internal rotations.

Our international brand, Aspire Mobility Group, annually helps more than 2.500 families and corporate employees move to new homes worldwide. We also assist the families through the whole relocation and settling-in process, including applying for visas and residence permits, finding a new home, a school for the kids or obtaining knowledge about the new residences public services, health care system and culture.

SCOPE OF OUR REPORT

This communication on progress applies for Møbeltransport Danmark's four offices in Copenhagen, Aarhus, Odense and Aalborg, our brands Aspire Mobility and Lyngby flytteforretning and our affiliates Reloc A/S and Møbeltransport Danmark National A/S, as they are residents in the same office buildings. Through the report, all departments, affiliates and brands hereunder will be collectively referred to as Møbeltransport Danmark.

The following report will describe Møbeltransport Danmark's top priorities for action and provide information on our performance in 2014. Our challenges and opportunities along with our objectives for the future are furthermore described.

PEOPLE

01

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

02

Principle:
Businesses should make sure they are not complicit in human rights abuses.

03

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

04

Principle:
Businesses should uphold the elimination of all forms of forced and compulsory labour.

05

Principle:
Businesses should uphold the effective abolition of child labour.

06

Principle:
Businesses should uphold the elimination of discrimination in respect of employment and occupation.

Møbeltransport Danmark support and respects internationally proclaimed human rights as well as ILO's eight core conventions in all our operations. As a large player in our industry, we have an obligation to advocate for compliance with the human rights and labour right principles.

Health and Safety

According to the international human rights law, employees have the right to a safe workplace. As a service provider, our primary resource is our employees and their knowledge and competencies. A safe, healthy and inclusive working environment is a key for Møbeltransport Danmark to maintain a dedicated and committed workforce that continuously provides a high level of expertise and service to our customer. Among other initiatives, we uphold a good working environment by:

- Providing protection against fire hazards through annual fire drills and licenced fire protection equipment
- Having first aid kits in warehouses, office areas and in all vehicles along with two defibrillators at our largest offices
- Offering all employees and their families health care insurance options
- All moving staff, storage handlers and office personnel works under collective agreements, ensuring proper employment conditions
- Ensuring that our employees always have the right knowledge and education to manage their assigned tasks

Besides offering our employees affordable health care insurance, which entitle them to the best and fastest medical treatment, all employees also have an additional insur-

ance that covers the cost of work-related pain and tension in joints, muscles and tendons, like pain and tension in the back, shoulders, neck and elbows and wrists etc. Employees have access to up to 8 treatments per year at a physiotherapist, chiropractor, reflexologists, physiotherapeutic massage therapist or acupuncturist.

A portion of our employees work in our designated office buildings every day, but a large segment of our staff also spends a lot off hours on the road driving to and from customers.

In 2016 and in the first quarter of 2017, we therefore chose to put an extraordinary focus on health and safety outside of our office premises.

All of our drivers regularly attend first aid seminars and safe traffic training as part of their ongoing education. However, our consultants and sales people, who also spend most of their workday in traffic year round, have not previously participated the these educational programs. Last year, all of our consultants and sales people therefore attended a seminar, learning how to drive and control a vehicle on icy and slippery roads.

In 2017, we continued this initiative by offering the consultants and sales people first aid training in traffic related safety and defibrillator-training courses. It is important for Møbeltransport Danmark that our employees are always safe, both in the office and when driving to and from customers. Specifically it is of the utmost important that our relocation consultants are trained in safe driving as well able to provide first aid when driving with customers in the car.

As a transportation company, we also see it as our duty and as part of our responsibility, to actively participate in keeping and upholding a safe traffic culture in Denmark.

Ergonomics and postures

As an operator in the moving industry, our employees are exposed to heavy lifts that, if not executed correctly and professionally, can result in work injuries. Controlling and maintaining a safe working environment is therefore of key importance for Møbeltransport Danmark.

Our approach to upholding a good and continuously safe working environment is based on education, prevention of accidents and working with the right equipment.

We prioritise education of our movers, meaning that training in ergonomics and postures are for us just as important as delivering good customer service. All movers employed in Møbeltransport Danmark therefore participate in a two-year mover education program, preparing and informing them about lifting postures, safety, correct handling and use of equipment as well as safety in regards to driving moving trucks. Every fourth year, our movers attend additional semi-

nars and courses to maintain and build on their education.

Furthermore, Møbeltransport Danmark participated in the development of the website “bevar ryggen” (Protect your back) a website dedicated to educate on correct postures when lifting as well as offering training exercises to strengthening muscles after a physically demanding job.

To minimize health and safety risks in regards to heavy lifts, we make sure that our employees have available the correct equipment specific to the job, that they are trained in using the equipment and that the equipment is serviced and maintained properly. Our equipment is of great importance as it can reduce the number of heavy lifts the employee conducts and the time and distance, they lift and carry items.

Besides keeping a close watch on the latest developments in the market, Møbeltransport Danmark have a long history of adjusting and modifying equipment to our specific needs, as well as developing new solutions and equipment that can improve and support our movers in their daily tasks.

As an example, in our workplace relocation division Møbeltransport Danmark recently introduced wooden pallets, on



which our customers can pack and stack the boxes. This enables our movers to use pallet lift equipment to transport the boxes to and from the mover truck, reducing the amount of lifts with up to 4 pr. box.

We have also developed special carriages with sockets, making it possible to use equipment when moving bookcases, instead of by hand, and we have modified the dollies we use when moving desks and furniture, to make it easier and quicker for our movers to handle.

Often our developments or modifications are based on input from employees, in other instances we go to great lengths to design customized equipment specific to larger assignments. For example we have designed and build transport cages tailor made to fit in between shelving's in specific archive moves, and on other occasions we have built up to 12 meter ramps to eliminate staircases carrying for our employees.

Having our own carpentry enable us to build, adjust and modify equipment specific to fit varying accessibility requirements at customers locations and offices, thereby creating better and safer on-site working environments for our movers.

International responsibility

The main area where human right abuse risks may arise is within Møbeltransport Danmark's international activities, where we are providing moving- and relocation services to international companies and their families around the world.

Møbeltransport Danmark's international division, Aspire Mobility Group is member of FIDI, the largest global alliance organisation of international moving and relocation companies, where strict Quality standards, Anti-Corruption and Human Right measures are compulsory and independently audited criteria for membership

Through FIDI we share knowledge and compliance standards with our international supply chain, thus providing us with a strong network worldwide of suppliers who besides upholding the service level and expertise we expect, also through their membership of FIDI adhere to international proclaimed human rights and labour right, as well as participate in the fight against corruption and bribery.

We believe that our sphere of influence is greater, through international industry organisations, and we are therefore actively participating in FIDI. Our Director in Aspire Mobility Group has been the President of FIDI Denmark, the national association of the FIDI organisation since 2008, and represent FIDI Denmark twice annually in meetings with the FIDI Board.



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

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

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

It is of great importance to Møbeltransport Danmark that we continuously improve our environmental footprint by creating sustainable and competitive solutions, beneficial for both our company, employees, customers and the society at large.

Møbeltransport Danmark has since 2012 maintained an effective ISO 14001 certified environmental management system, with ownership at the executive level. The system enables us to constantly monitor and control our activities, processes and competences towards an improved environmental performance and ensures that we continue to undertake initiatives that can lead towards even greater environmental responsibility.

Our main environmental targets, is targeted at areas where we as a service provider in the transportation industry, has the greatest environmental impact, e.g. the fuel efficiency of our trucks, the energy consumption of our buildings and the resource usage of our processes. Our action plans for the previous year and for the year ahead includes a continued investment in our vehicular fleet, changing all indoor light sources at our headquarters from incandescent to LED and a continued investment in turtle crates for our Fine Art Division.

Lights

In 2015 Møbeltransport Danmark upgraded all outdoor lights at the headquarter premises resulting in an 80% reduction of the energy consumption of the outdoor lights. Because of the successful results, Møbeltransport Danmark decided to continue the process, by installing LED lights inside the office premises as well.

In 2016 we started to test the effects of the conversion from incandescent to LED in two designated office areas at our headquarters in Copenhagen. The tests proved to have a considerable positive effect on energy savings decreasing the energy consumptions by 47%. Furthermore, the test also proved to have a positive effect on the working environment, as the new LED bulbs have a greater resemblance to natural light and better reflecting colors.

Spurred by the positive test results, Møbeltransport Denmark has decided that all light sources at our headquarter will be converted to LED during 2017. So far 136 lamps has been converted, leading to a reduction in power consumption of 6.819 Watt.

Turtle Crates

Møbeltransport Danmark is Denmark's leading forwarder of Fine Art Transportation, with more than 45 years of experience, both nationally as well as internationally. The coordination, handling and transportation of fine art is an extremely complex process and one we excel at. To protect paintings, sculptures, installations or other priceless and fragile items, we offer our customers several designs of tailor made wooden crates, all produced at our carpentry shop located at our headquarters in Copenhagen.

Throughout 2016 our Fine Art department invested in 60 new turtle crates. A turtle crate is a versatile environmentally friendly insulated crate for transporting Fine Art items. The turtle crates can easily be adjusted to protect the size of Fine Art items and hold several works in one crate.

Because the turtle crates can contain several works and offer flexibility in terms of customizing to the items size, our carpentry is now building less wooden crates, resulting in a decrease in our wood consumption by 18% in 2016.

We will not be able to eliminate our use of wood completely as some works of Fine Art being larger than the turtle crates will need a customized crate. However as turtle crate can last approximately 20 years dependent on the care of use whereas the quality of a wooden crate is much easier compromised, we expect our wood consumption to decrease even further the coming years, as will our consumption of paint, glue and other resources.

The special composition of the turtle crate materials means that the climate in the crate is kept very stable and external vibrations are largely absorbed.

Møbeltransport Danmark is the first Fine Art transportation company in Denmark to use turtle crates, thereby offering our

customers a unique and environmentally friendly alternative solution, that measures up to our high quality requirements to temperature control and protection.

Vehicle fleet

As a service provider in the transportation industry, our largest environmental footprint stems from our fuel consumption.

Vehicle emission control is therefore one of our primary priorities. To reduce air emissions, the majority of trucks in our fleet comply with Euro norm 5 and 6I. The few trucks we have left that are Euro norm 3 has been fitted with particle filters.

Trucks that are Euro norm VI or V are prioritized for international assignments, thereby reducing air emissions on long distance trips. New trucks are regularly added to our fleet with consideration to fuel consumption, a high euro norm and with consideration in regards to development and diffusion of environmentally friendly technologies.

Controlling and reducing each vehicle's fuel consumption is an important environmental objective for Møbeltransport Danmark. With five offices in the largest urban areas of Denmark, we can cover all national customers within relatively short distances, which reduce our fuel consumption and air emissions.

Constantly striving towards high utilization of our trucks capacity also reduces our environmental impact. Møbeltransport Danmark's fleet consists of trucks, trailers and vans in different sizes, which on national assignments enable us to choose the vehicles with the right capacity to any of our customers' needs and requirements.

Our Fine Art division has designated trucks that are only used for Fine Art transportation, as there are specific climate control requirements when handling these types of goods. In 2016 Møbeltransport Danmark invested in two new trucks for our Fine Art division, a new fuel efficient, Euro norm 5 truck, and a smaller sized sprinter. With the new addition to the Fine Art transport fleet, it will now be possible for the division to match the trucks capacity to the requirements of the customer's assignment, thereby reduce our environmental impact.

On international moves, Møbeltransport Danmark division Aspire Mobility Group offers two service solutions to customers, a priority or a combination move. On a priority move, the customer chooses their moving date, whereas on a combination move Møbeltransport Danmark schedules transportation of more than one shipment on each trip. 90-95% of our customers choose a combination move, which both benefits the customer economically and the environment in terms of reduction of air emissions per cubic meter transported, whilst our flexibility is increased and our resource consumption decreased.



10

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

Møbeltransport Danmark is a privately owned company who has always taken pride in conducting our business in an economically responsible and highly ethical manner. We are accordingly enjoying a reputation for being a trustworthy, transparent and responsible business partner.

Anti-corruption is an integral part of our culture and business integrity is one of our guiding values. Møbeltransport Danmark applies a zero-tolerance approach to extortion and facilitation payments, corruption and bribery in all its forms. We are committed in all our business conducts to comply with UN Global Compact's principle 10, as well as with all local and international anti-corruption and bribery laws.

Møbeltransport Danmark employees and national subcontractors are obliged to act in accordance with Møbeltransport Danmark's code of conduct, which sets forth the adaptation of good governance, transparency and accountability into day-to-day business.

Møbeltransport Danmark's international division, Aspire Mobility Group, primarily selects international suppliers on the basis of their membership of FIDI. FIDIs quality benchmark certification FAIM requires members to have a periodic audits independently performed by Ernst and Young of their international moving processes and performances e, Companies that are FIDI FAIM certified must demonstrate an ethical conduct and must ensure that their services are provided on principles that support the fight against corruption, extortion, bribery and fraud.

In 2017, companies in FIDI will be audited according to the new version of the FAIM standard 3.1, which place an even greater focus on anti-bribery and anti-corruption.

Last year Aspire Mobility Group and 600 other relocation companies globally signed a compulsory FIDI ABC (Anti Bribery and Corruption) Charter.

We furthermore ensured that our Code of Conduct and Anti-bribery Standard became an integral part of our correspondence with all our current, as well as potential vendors. Accordingly, when we supply or receive any type of service, our vendors are aware of our ethical requirements.

The code of conduct and anti-bribery codex has also been incorporated into our removal contract with our clients, to ensure that they are aware of the stand we have taken towards bribery and corruption.

Risk and compliance assessment of suppliers on a worldwide scale is a time-consuming, cost-heavy and difficult task for an independent company of our size.

Therefore In 2016, Møbeltransport Danmark signed up for the Dow Jones Worldwide Risk Assessment and Compliance program, to ensure an independent and effective compliance monitoring of our suppliers in our entire supply-chain globally.

Through Dow Jones Due diligence reviews, we have a supportive tool to identify potential red flags within legal, regulatory and reputational issues for current as well as new suppliers worldwide.

This allows us to monitor a fuller and transparent picture to assess and determine the risk level by cooperating with any particular vendor. Through Dow Jones Risk Assessment and Compliance program, we are better equipped to protect ourselves and our customers against financial misconduct and reputational damage.



ABOUT GLOBAL COMPACT

The UN Global Compact was launched in 1999 by former UN Secretary-General Kofi Annan and is today the world's largest corporate citizenship initiative – with 10,000 signatories based in more than 140 countries, and Local Networks existing or emerging in over 100 countries.

The purpose of the initiative is to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation.

The UN Global Compact advocates for companies to align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. Members of UN Global Compact commit to submitting an annual report on progress in regards to implementation of the ten principals.

By supporting the UN global Compact business' helps ensure that markets, commerce, technology and finance advance in ways that benefit economies and societies everywhere.

