



May 2017

UN Global compact COP

Statement by the CEO

Nordic Waterproofing is one of Europe's leading suppliers of membranes for roofing and environmental buildings and we develop solutions for public and commercial buildings and constructions.

I am pleased to confirm that Nordic Waterproofing supports of the United Nations Global Compact in the areas of human rights, labor rights, environment protection and anti-corruption.

Our sustainability program is based on the Ten Principles of the United Nations Global Compact. We have identified our prioritized sustainability issues and follow our performance on these issues on a yearly basis.

Our Communication on Progress describes our actions to continually anchor and integrate the Global Compact and its principles into our business strategy and daily operations. We are committed to share this information with our customers, employees, suppliers and other stakeholders mainly through our individual company brands.

Martin Ellis
Nordic Waterproofing Group, CEO

MAKING A DIFFERENCE

Nordic Waterproofing works to create added value for its stakeholders without compromising the standards set in terms of environmental and social responsibility.

A number of Group-level policies are in place; a Code of Conduct (CoC), a whistle-blower policy, an environmental policy and an Occupational Health and Safety Policy. The Code of Conduct includes the areas of human rights, labour rights, environmental protection, and anti-corruption. The code relates to the working environment, the marketplace and the community.

Nordic Waterproofing Group is a signatory to the UN Global Compact and has developed a Group sustainability and CSR-approach that is aligned with the UN Global Compact's its ten core principles.

Code of Conduct

The Group's Code of Conduct has been communicated to all business units and there in turn, communicated to all employees. All employees have also been informed of the whistle-blowing policy and procedure.

Starting from 2017, the awareness of the Code of Conduct and related business ethics policies will be followed up by requiring each business unit to report it to the Group controller.

OCCUPATIONAL HEALTH AND SAFETY

The subsidiaries of Nordic Waterproofing Group have sites which include factories, warehouses and offices. In Finland the operations also include roofing services. Thus each working environment has its specific risks and each subsidiary is responsible for ensuring a systematic approach to Occupational Health and Safety (OHS) for its employees. This includes assessment and awareness raising of site specific risks; reporting of incidents and accidents; and working to mitigate the occurrence of incidents and accidents, such as analysing the root causes of accidents. All subsidiaries have an Occupational Health and Safety Policy. The subsidiary in Finland, which is the only business unit offering roofing services, has their OHS management system certified against OHSAS 18001.

Each individual site shall report to the Group level, all occupational injuries and illnesses resulting in at least one day's absence caused by accident, defined as Lost Work Cases (LWC).

During 2016 there were 30 LWCs (31) reported. 26 (27) of these were reported

from Finland and related to Installation Services. The other sites had an average LWC of 1 (1).

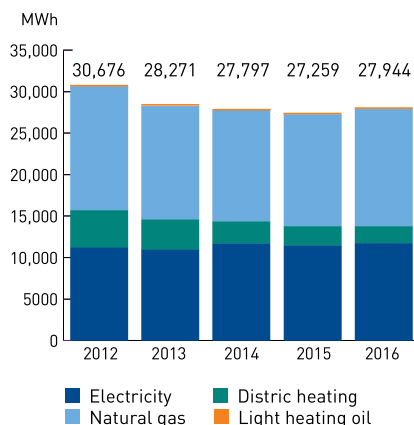
All the companies in the Group that have production sites have contracted external Occupational Health Care services to support their employees, such as in the case of rehabilitation.

GENDER DIVERSITY

The gender distribution target of 15-20 percent women in the Group's board of directors no later than 2018 was fulfilled in 2016 with the outcome of 16.7 percent (0)*.

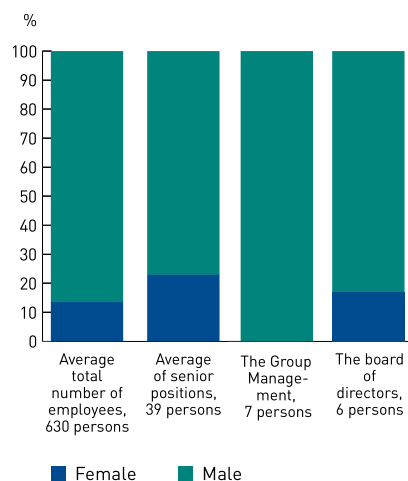
The roofing industry has historically been uneven in its gender distribution, with the vast majority of people across employee categories being men. Nordic Waterproofing works continuously to attract, develop and retain talented young people and aims to ensure that; independent of gender or other aspects of diversity, each individual is offered equal opportunities in terms of career paths etc. During 2016, it was decided with regard to the target, that the operations as a whole should also work for a more balanced mix in terms of ethnicity and gender.

ENERGY CONSUMPTION
PER ENERGY SOURCE ¹⁾

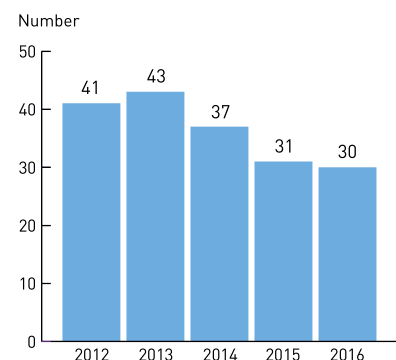


¹⁾ The diagram shows the energy consumption for production units and offices for all business units, except one smaller production site of Sealeco. Energy consumed by company vehicles and suppliers is not included in the figures.

DISTRIBUTION OF GENDER
NORDIC WATERPROOFING



ACCIDENTS, LWC ²⁾



²⁾ LWC=Lost Work Cases (accidents resulting in >8 hours absence)

* Reporting in accordance with section 99b of the Danish financial act.

MANAGEMENT SYSTEMS

The four production facilities in Sweden, Finland and Denmark are subject to mandatory reporting obligations and require permits. The operations affect the external environment primarily through noise and direct and indirect emissions. The Group’s production requires resources such as raw material, water, energy and chemicals.

All subsidiaries are covered by our Group Environmental policy, which covers energy consumption, emissions and raw material use. If found relevant, they have formulated a local policy to complement it. All production sites have a management system for environmental management, and the sites in Sweden and Finland are certified against ISO 14001. Each production site has environmental targets.

On Group level a project to map the energy consumption and climate change emissions was initiated in early 2017.

THE WAY AHEAD

Nordic Waterproofing’s subsidiaries act as independent profit centres on national markets and the management of sustain-

ability has mainly been handled in each local context until now. A broader effort to align the sustainability approach in the Group’s operations and enable further sharing of best practices between its sites, has been initiated. A baseline assessment is being undertaken by surveying the subsidiaries’ sustainability processes. The objective is to define the area of relevance to manage and consolidate at Group level and identify key performance indicators for tracking progress.

This process will include a stakeholder dialogue, involving both internal and external stakeholders, to ensure that reporting on Group level will match their need for non-financial information. A materiality analysis will result in priorities for where and how Nordic Waterproofing can contribute the most to UN’s Global Compact and the UN Sustainable Development Goals (SDG).

Furthermore, an initiative has been taken at Group Level to align the work related to follow-up of suppliers, in terms of their adherence to the Code of Conduct and other sustainability requirements.

UN GLOBAL COMPACT

PRINCIPLES
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.
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.
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.
ANTI-CORRUPTION
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Since 2012 is Nordic Waterproofing a signatory to the UN’s Global Compact and is committed to honouring the Global Compact’s 10 principles. Our Group Code of Conduct covers human rights, freedom of association, forced labour, child labour, discrimination, environmental management, anti-corruption, anti-competitive behaviour and conflicts of interest. To meet our reporting obligations with the UN’s Global Compact, Nordic Waterproofing submits its Annual Report as the Group’s Communication on Progress to the UN Global Compact. The report will be accessible at the Group’s website and at UN Global Compact’s website.



SAFETY FIRST PAYS OFF

Nordic Waterproofing’s subsidiaries KerabitPro and AL-Katot in Finland are dedicated to ensuring site safety for all employees, installers and office staff. It has active training (site safety, hot works training, etc.) and made investments in personal protective equipment – safety harnesses, fall arrest systems etc. All staff meetings are opened emphasizing the importance of site safety and going through if there have been any accidents. A mobile site safety audit system has been implemented and using this, all can conduct site safety audits with their mobile phones. Their safety work has resulted in 35 percent fewer accidents the last five years. In the last five years, the estimated direct savings in sick leaves caused by on-site accidents in 2016 compared to 2015 was approximately EUR 120,000. With lost profits etc. included, the figure is considerably higher.