

HOLMRIS B8

Communication on progress 2018

This report covers the period from 1 January 2018 to 31 December 2018.

1 Statement of continued support by the CEO

2 January 2019

To our stakeholders,

I am pleased to confirm that HOLMRIS B8 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, 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,

Henrik Holmrís
CEO

2 Description of actions

2.1 Human rights

Danish legislation and collective agreements: In Denmark conditions related to working hours, wages, maternity leave, gender equality and occupational health and safety are all determined by law. Moreover, we have collective agreements with several of our employee groups and have set up a collaboration committee to deal with any conflicts that may arise.

Occupational health and safety management system certification: HOLMRIS B8's production site in Bjerringbro is certified to the OHSAS 18001 standard for occupational health and safety. This confirms that HOLMRIS B8 works purposefully and systematically to improve occupational health and safety on an ongoing basis. We have drawn up a range of safety policies and contingency plans, which are openly available on the company intranet. Moreover, we have established a working environment committee that deals with occupational accident and near-accidents and implements measures to prevent the recurrence of similar accidents. Systematic records of accidents and near-accidents are kept as a part of the fulfilment of our objectives in accordance with the OHSAS 18001 standard, see Table 1: Accidents and near-accidents.

2.2 Labour

HR consultant: In 2018 HOLMRIS B8 has hired a part-time external HR consultant to help managers with recruiting. The HR consultant both aids managers in selecting and evaluating possible candidates, as well as

offer support throughout the recruitment process. The independent second opinion on possible candidates contributes to ensure that employment-related decisions are based on relevant and objective criteria.

Job satisfaction measurement: HOLMRIS B8 plans to perform a job satisfaction measurement in 2019 to gauge how the merger has affected the employees and to use as input for increasing job satisfaction.

2.3 Environment

Environmental management system certification: HOLMRIS B8's production site in Bjerringbro is certified to the ISO 14001 environmental standard. This means that HOLMRIS B8 works purposefully and systematically to improve its environmental performance on an ongoing basis. HOLMRIS B8's environmental management system is assessed yearly by external auditors who evaluate HOLMRIS B8's environmental performance in relation to the procedures in the environmental management system. Every year, we map the environmental impact generated by our operations, and based on this mapping process we prepare a plan to reduce the most significant impacts.

Danish Furniture-makers' Quality Control: HOLMRIS B8 is a member of the Danish Furniture-makers Quality Control association, which obliges us to meet a range of environmental and quality requirements. This ensures that we live up to the applicable EU standards.

Waste management and recycling: As a part of the environmental management system, HOLMRIS B8 has a goal of reducing the incinerable waste generated by the production facility in Bjerringbro. This goal was not fulfilled in 2018 as seen in Table 2: Incinerable waste, Bjerringbro factory but the efforts continue in 2019.

HOLMRIS B8 Circular: As an outcome of the merger between Holmrís, Holmrís.Designbrokers, B8 and 3R Kontor, HOLMRIS B8 now has an integrated business unit dedicated to providing several circular services. These services include a take-back system where HOLMRIS B8 offers to buy used furniture from customers, reuse of used furniture either through resale or donations, recycling of used furniture that is not in a condition where they can be reused, and a furniture leasing concept.

FSC certified office furniture: HOLMRIS B8 continues to offer FSC certified office furniture to our customers and commits to purchasing FSC certified materials where this is feasible.

The Nordic Swan Ecolabel: HOLMRIS B8 has continued to expand the range of eco-labelled products in 2018, with a total of 24 products currently available in each of the Nordic countries.

2.4 Anti-corruption

Accounts and audits: HOLMRIS B8 meets applicable legislation and best practises in accounts and audits. At HOLMRIS B8, bookkeeping, budgets, audits, project evaluation etc. must produce accurate data in accordance with best auditing practises. Corporate assets must be recognised in their entirety in the company's principal ledgers. All items in the accounts must refer to a voucher. The accounts and the appurtenant vouchers are reviewed as part of the annual audit, which is a legal requirement in Denmark. This system provides transparency in our accounting and presents a minimal risk of bribery and corruption.

Acceptance of gifts policy: HOLMRIS B8 employees must not accept gifts or services from business partners where the acceptance or which might influence decision-making in any way that is contrary to the best interests of HOLMRIS B8. Furthermore, HOLMRIS B8 employees are not permitted to solicit current or potential customers or suppliers by giving them gifts or services.

3 Measurement of outcomes

Table 1: Accidents and near-accidents

Year	Accidents	Near-accidents	Ratios	No. of employees	Index, incidents / no. of employees	Index, near-misses / no. of employees
2010	3	4	1:1	118	3%	3%
2011	4	3	1:1	126	3%	2%
2012	2	37	1:12	135	1%	27,4%
2013	5	14	1:3	160	3,1%	8,8%
2014	8	19	1:2	163	4,9%	11,7%
2015	2	18	1:9	183	1,1%	9,8%
2016	5	5	1:1	153	3,3%	3,3%
2017	2	6	1:3	148	1,4%	4,1%
2018	2	50	1:25	344	0,6%	14,5%

*Year 2010-2017 numbers is for B8 only

Table 2: Incinerable waste, Bjerringbro factory

Year	Incinerable waste (tonnes)	Change (percentage)
2012	45,65	-
2013	30,7	-32,7%
2014	37,9	23,5%
2015	49,7	31,1%
2016	52,0	4,6%
2017	43,9	-15,6%
2018	62,04	41,3%

*Year 2012-2017 numbers is for B8 only

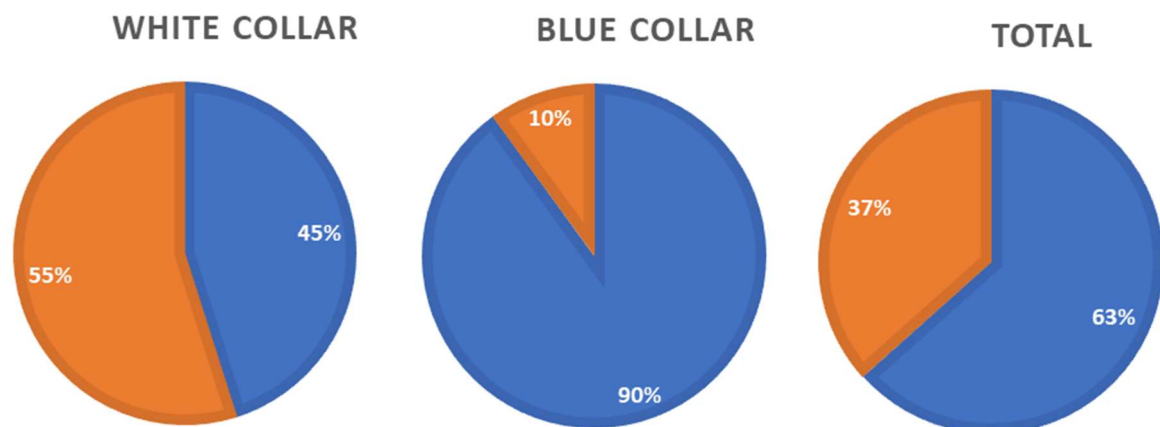


Figure 1: Demographics of employees by gender