

Communication On Progress 10/11

Reporting on Bording's CSR initiatives related to Global Compact



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact**.

We welcome feedback on its contents.

Brief description of nature of business

F.E. Bording A/S

The F.E. Bording Group is a Scandinavian service business with origin in the graphical business. The transformation from primarily being a printing house to becoming a service business has been a necessary part of being able to innovate, develop and survive on the fast developing global market. Today our focus and competences are on developing new intelligent graphic and digital communication solutions to our customers.

COMPANY DETAILS

F.E. Bording A/S	CVR-nr.: 16229415	<i>Global Compact contact person:</i>
Turbinevej 4-6	Established: April 12, 1918	Ina Willumsen
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Phone.: +45 7011 5011	Number of employees: 256	iwi@bording.dk
www.febording.dk	Sector: Graphic and digital communication	<i>Member of Global Compact since:</i>
info@bording.dk		September 9, 2009

Statement of support

Different focus increases the relevance

As a Scandinavian Group with our division in Bangladesh, Bording vista Ltd. and our Lithotech-Bording division, selling election materials to third world countries, the attention on human rights, labor rights, environment and anti-corruption differ. In Denmark, Sweden and Norway is it first and foremost the environment that is prioritized and found relevant, whereas in Bording Vista Ltd. and Lithotech-Bording is it important to send clear signals on human- and labour rights as well as anti-corruption.

In the year to come we will continue to back the 10 principles of Global Compact and commit ourselves to making a difference in human rights, labor rights, environment and anti-corruption whenever we have an opportunity.

Slum School Project in Bangladesh – an investment in the global future

In our work with CSR in 2011 we have supported a project for children in Bangladesh. We believe in the importance of education and we believe that learning is a key factor in strengthening an individual's capabilities as well as the economic growth of the third world countries. In many European countries we take education for granted, but for so many children around the world an education is out of reach.

Bording believes that a step towards investing in the future is investing in children through education. Doing business in Bangladesh has made it even more evident to Bording that a large proportion of the population survives in poverty and that lack of education and unemployment reproduce poverty, hunger and disease. To help break this curve of poverty Bording has been part of two Slum School Projects in Bangladesh in collaboration between The Copenhagen Post, Rotary International, Bording Vista and F.E. Bording.

The first project made it possible to distribute teaching material to a local Slum School in Dhaka, Bangladesh. Studies show that knowledge of language in both reading and writing helps to ensure a strong cultural self-understanding. Furthermore, the English language helps to support children in the long term to succeed in international context. We have learned that teaching material is in short supply in many places and therefore the material can be downloaded for free on our website with the help from local Rotary Clubs. (To read more please visit: <http://www.febording.dk/fe-bording/download-free-education-material>)

The second project arose in the light of the fact that many of the children in the local school were forced to drop out of school in order to provide food for themselves. In order to keep the children in school, the school must give the children a school dinner. The Bording Group and Rotary Copenhagen raised EUR 10,800 to support the school dinner project. This amount will cover school dinners for 800 children for three months. (To read more please visit: <http://www.bordingdata.dk/node/266>)

Yours faithfully

Hans Therp
Managing/Executive Director

&

Ejvind Sandal
Chairman

On the following pages you will find the Group's second Communication On Progress from September 9, 2010 till September 8, 2011.

Bording's view on Corporate Social Responsibility

Some years ago Corporate Social Responsibility (CSR) was typically associated with philanthropy and CSR topics were in the category of 'nice to have'. But during the last couple of years and in the wake of the economic downturn, the rising of the global competition, the environmental challenges and the technological changes a new era of sustainability has come into view. Every day different international and national media show us an imperfect world where people are in need, are losing their jobs or are affected by corruption. Whether we want it or not we are exposed to the downside of mankind and this has an impact on our behaviour.

Businesses are held accountable for the entire supply chain both globally and locally. As a consequence of the globalisation the labour market is now driven by different mechanisms such as legislations, standards, customs etc. The sum of all these 'changes' affect the view on CSR. CSR is no longer 'nice to have', but has become 'must have' for many companies.

Bording believes that responsibility means taking on responsibility for making a difference when we have an opportunity to do so. Responsibility also means that we and our suppliers are responsible for each other, for our customers and the environment.

Bording and the principles

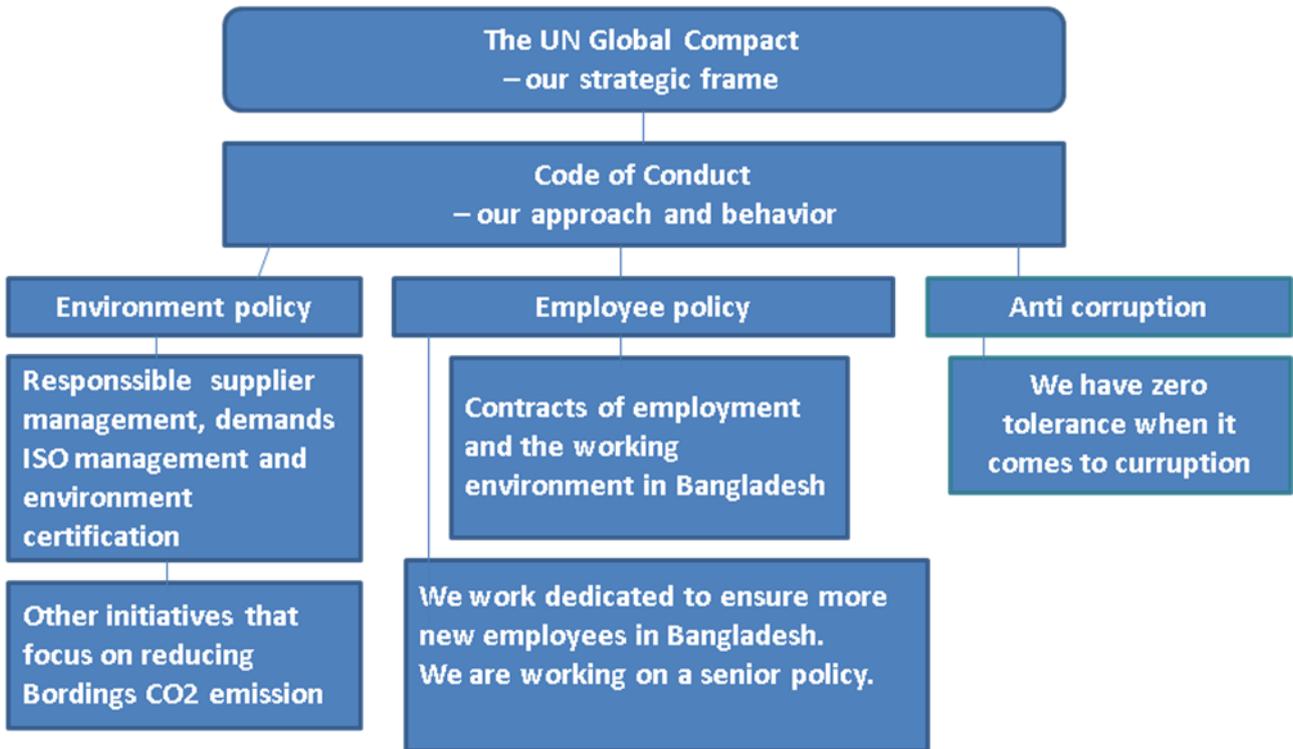
With a history as primarily a printing business, Bording has thought environmental concerns and opportunities in to our working procedures for a long time. Our long focus on the environment means that we have a unique basis for suggesting and to some extent demanding improvements to our suppliers. The Bording Group realizes that we can not change the whole world, but by looking at Global Compact as a strategic framework for our work with social, ethical and environmental responsibility, we believe that we take an important step in the right direction.

In Bording we continue to see CSR and our support to Global Compact as an opportunity to work constructively with the challenges that we come across in our business operations. The strength of the UN's Global Compact is that the 10 principles are built upon internationally recognized conventions. The principles help us match expectations when we do business across national and cultural borders. Furthermore, it gives us a strategic tool when it comes to sending our customers a clear signal on responsibility and our non-tolerance towards corruption. To a division such as Lithotech-Bording, who serves as a supplier of election material in third world countries, where corruption is a part of the everyday life, we believe it is important to send this clear signal.

For further information about UN's work with Global Compact please visit:
<http://www.unglobalcompact.org/>

Bording's CSR hierarchy

Since we joined Global Compact, we have worked on getting an overview of our current achievements. In this context we have drawn up a CSR hierarchy, which can be seen below.



The ethical guidelines of Bording

As a Scandinavian group we see globalisation as an opportunity to expand our market and to participate in international projects. But associated with these opportunities are the risks and challenges of doing business across different legal and cultural traditions. Bording has acknowledged the risk and challenges, which together with the increasing demands from the world for guidelines has led to a process of making our own set of ethical guidelines. We have combined UN's 10 principles about human rights, labour rights, environment and anti-corruption with setting a good example, honesty and trustworthiness and have come up with a set of ethical guidelines, which have become an integrated part of our daily operations. Bording's Code of Conduct (ethical guidelines) are meant as a guide to our management, employees, customers, suppliers and other cooperative partners about our behavior and values in the Bording Group.

Bording has the goal always to follow the highest ethical standards and to reduce the impact our business has on the surrounding environment as much as possible. At the same time we value trustworthiness and honesty more than short-term earnings.

Global Compact Human rights

Principle One:

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

Focus:

We recognize the Rights of the Child and the child's right to life, survival and development, and respect for the views of the child.

We respect the rights of our employees and support all of the international conventions.

We believe that all of our employees have the right to a safe workplace.

Systems:

Bording distributes teaching material from our website to children in poverty all over the world.

Bording has made a set of ethical guidelines.

Bording has a specific personnel policy in Bangladesh.

ISO 14011 environmental management system is integrated in Denmark.

Activities:

Bording has been part of two Slum School Projects in Bangladesh.

In Bording Vista Ltd. (Bangladesh) all of the employees have contracts of employment, job description, job specifications, salary contracts and an employee policy manual.

We have APV meetings and plan of action. We carry out continuous review of conditions at offices in Denmark, Sweden and Norway.

Results:

Free download of teaching material. The project is made possible in collaboration between The Copenhagen Post, Rotary International, Bording Vista and F.E. Bording. To read more please visit:

<http://www.febording.dk/fe-bording/download-free-education-material>

The Bording Group and Rotary Copenhagen have been fundraising to support a local school project in the capital of Bangladesh, Dhaka. A day June a cheque for 10,800 Euros was handed over to the school. This will cover food cost for the entire school for one quarter of a year.

To read more please visit: <http://www.bordingdata.dk/node/266>

In Bangladesh both the physical and psychological working environment are of European standards.

Principle Two:

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

Focus:

We do our outmost to ensure that we do not enter into business with cooperative partners who do not accept the human rights and anti-corruption.

Systems:

Bording has made a set of ethical guidelines.

Activities:

This year there has not been the need for activities.

Results:

There have been no issues on this area.

Global Compact Labour Rights

Principle Three:

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

Focus:

We believe in the right to voluntary unionism and collective negotiation and do not enter into business with cooperative partners who do not accept these rights.

Systems:

Bording has made a set of ethical guidelines.

Bording has a specific personnel policy in Bangladesh.

Activities:

This year there has not been the need for activities.

Results:

There have been no issues on this area.

Principle Four:

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

Focus:

We do not tolerate oppression of minorities or any other human being.

Systems:

Bording has made a set of ethical guidelines.

Bording has a specific personnel policy in Bangladesh.

Activities:

This year there has not been the need for activities.

Results:

There have been no issues on this area.

Principle Five:

Businesses should uphold the effective abolition of child labour.

Focus:

We do not tolerate or accept child labour.

We do not cooperate with organizations that use child labour.

Systems:

Bording has made a set of ethical guidelines.

Bording has a specific personnel policy in Bangladesh.

Activities:

This year there has not been the need for activities.

Results:

There have been no issues on this area.

Principle Six:

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

Focus:

We see diversity as a resource and do not accept oppression of minorities.

Systems:

We always encourage everybody to apply for our advertised vacancies, no matter sex, religion or ethical origin.

Activities:

Bording Vista Ltd. (Bangladesh) the personnel handbook and the daily management place emphasis on the soft values such as diversity and recognition.

Each employee is respected regardless of position, sex and religion.

Results:

There have been no issues on this area.

Principle Six:

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

Focus:

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Systems:

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Activities:

Bording Vista Ltd. (Bangladesh) the personnel handbook and the daily management place emphasis on the soft values such as diversity and recognition.

Each employee is respected regardless of position, sex and religion.

Results:

There have been no issues on this area.

Global Compact Environment

Principle Seven:

Businesses should support a precautionary approach to environmental challenges.

Focus:

The transformation and change of our core business have resulted in an environmental policy where our focus still lies on the impact we have on the environment.

Systems:

We ensure the implementation of Bording's environmental policy through structured work with recognized environmental standards, management systems and certifications. This means that whenever it is relevant the Bording companies are certified with ISO 14001, environmental management system, working with ISO 9000, has a Nordic Eco Label and/or FSC license.

We only do business with suppliers who have a formulated environmental policy.

We require of our suppliers that they are suitable certified and besides that we encourage that they work methodically with environmental issues.

Activities:

The Group still focuses on reviewing our own companies' and sub suppliers' environmental policies and plans.

F.E. Bording has bought Halmstad Tryckeri AB in August 2011. The Swedish printing house has a strong environmental profile.

Results:

Through focused efforts we have achieved to deliver and certify printed matter, showing consideration towards the environment.

To learn more about Halmstad Tryckeri AB please visit: <http://www.halmstadtryckeri.se/>

To learn more about KLS Grafisk hus please visit: <http://www.kls.dk/>

Principle Eight:

Businesses should undertake initiatives to promote greater environmental responsibility.

Focus:

In 2010/11 F.E. Bording has had a great focus on how to reduce the energy consumption in the different companies.

The Group's strategy is to participate in the consolidation of the graphic industry.

Bording has a focus on energy savings in connection to structural changes related to overcapacity in the graphic industry.

Systems:

The Board of Directors and Management regularly assess the possibilities for minimizing the energy consumption on the Group's units.

We have well-defined roles showing who is responsible for all applicable working environment and environmental rules and standards are followed.

Activities:

In 2010/11 Bording Data and Bording PRO moved to the same location as F.E. Bording, Bording A/S and Bording Logistik.

When renewing the unit in Herlev in 2011 there has especially been focus on ways to reduce the electricity and energy consumption.

Results:

The energy consumption in Herlev has been reduced by more than 530 tons CO² by replacing an old boiler with a new more energy efficient boiler, reducing the ventilation system, installing automatic on/off lights on several common areas, replacing old lamps with energy efficient lamps and minor insulation works. Furthermore, the toilets have been replaced with water saving toilets reducing the waste of water.

Principle Nine:

[Businesses should encourage the development and diffusion of environmentally friendly technologies.](#)

Focus:

We are committed to develop products within our product portfolio, which are environmental friendly/eco-friendly.

Systems:

Here the focus is especially on the fact that the necessary knowledge is present, leaving the Bording Group to emphasize on where to contribute the most and best.

In this context we have formed a environment network across the group companies making sure that we provide knowledge about environmental considerations and make these available to each other.

Activities:

Halmstad Tryckeri AB is working targeted to becoming one of Sweden's most environmental friendly companies.

Since 2008 A-Mail Kuverter and our German partner Mayer-Kuvert-Network have worked targeted to continuously develop production methods and hence products that are environmental friendly/eco-friendly.

Results:

Halmstad Tryckeri AB has developed a method to print in a more environmental friendly way.

On the product side Bording has introduced Scandinavia's first envelope, Envirelope, manufactured of CO² neutral paper, which combines sustainability with quality.

Global Compact Anti-corruption

Principle Ten:

Businesses should work against corruptions in all its forms, including extortion and bribery.

Focus:

Our mission in Bording has the clear goal that we must follow the highest ethical standards. Therefore, we put integrity and honesty above short profits.

Systems:

The ethical guidelines of Bording about our behavior and values within the Bording Group are a guideline to our management, employees, customers, suppliers and other business partners.

Activities:

If anyone in or outside the group hears, sees or meets corruption in any form, we encourage him/her to get in contact with us.

See contact information.

Results:

We have not had any business activities that have put us in a dilemma in relation to corruption.

Bording's next Communication On Progress

Our next Communication on Progress will be uploaded on UN's digital platform before September 9, 2012.

Feel free to contact us.

If you have any questions to our work with CSR, this progress report or anything relating, please do not hesitate to contact Ina Willumsen on iwi@bording.dk.