

COMMUNICATION PROGRESS

2017



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**We enable people and organisations to work,
live and thrive in new places around the world.**

Statement of continual support

Santa Fe Group is pleased to present its eighth Communication on Progress report affirming our continued commitment to supporting the ten Global Compact principles.

In the Santa Fe Group, we see sustainability as everyone's responsibility therefore we continue to engage with our customers, staff, suppliers and other stakeholders to fully embrace and support our policies in the areas of Human Rights, Labour, Environment and Anti-corruption. We are fully aware of the responsibility we bear towards our stakeholders and the communities in which we operate.

We take the principles of the UNGC on with great enthusiasm, our teams globally are fully united under the Santa Fe brand and we thank our teams and partners for their continued support. Together we look forward to sustaining our support to this initiative and fulfilling our duty as a signatory to the UN Global Compact.

Martin Thaysen
CEO Santa Fe Group

Santa Fe overview

The Santa Fe Group is a global leader in international mobility, handling around 40,000 international relocations and around 15,000 domestic relocations (predominantly in Australia) per year, based on own operations in 47 countries and a network of agents. Santa Fe's ambition is to make it easy for companies and people to live and work freely and flexibly around the world.

Santa Fe provide a full range of mobility services for multinational companies and other organisations having executives and professionals on overseas assignments. In addition to this, Santa Fe serve individual customers relocating without the support of an employer. The service offering covers the entire relocation journey—from immigration services to obtain work and resident permits through the physical packing and moving of household goods to a comprehensive range of value-added relocation and destination services to ensure the relocating family settles in to their new home in the best possible way.

Santa Fe design and manage entire relocation programmes for large organisations with international operations. Our value proposition is to provide our corporate customers with optimum efficiency in their mobility management, full compliance with all relevant legal regimes, and a safe and easy transition and new start for the relocating individual and family.

Governance structure

Santa Fe Group's governing structure ensures that we are directed and controlled in a responsible manner, to ensure long-term sustainability and transparency. We transparently report our performance annually in terms of financial results, social responsibility and the operational aspects of our business.

Our objective is to ensure our business remains sustainable in every meaning of the word. This means that we are able to provide our customers with a service that both offers value and continuity. It also means that through our continued commitment to aligning our operations and strategies with the ten UNGC principles, our company contributes and benefits economies and societies globally. The governance structure is anchored with a sustainability team aiming at aligning sustainability objectives, implementing and sharing best practices. The team consists of members in each region with overall responsibility held by the Santa Fe Group's Chief Financial Officer.

Ethics and behaviour

To act in a globally responsible way, we continually review our initiatives, codes and schemes so that we can learn from them. We pride ourselves on a fair, ethical and inclusive approach to our business, our people and our clients.

Our Code of Business Conduct and Code of Business Conduct, Staff Guidebook provides guidance to all employees on the conduct of our business according to the highest ethical standards. We have grown and prospered with a culture of honesty, integrity and accountability. The Code contributes to our future success by helping to maintain this culture. The Code and our other ethics policies help to focus everyone on areas of ethical risk, offer guidance in recognising and dealing with ethical issues and provide mechanisms to report unethical conduct without fear of retaliation.

To strengthen our Company beliefs and values Santa Fe hosted 150 workshops globally with over 2,300 employees attending to launch our Company DNA and Values which serve as a behavioural compass, to define how each employee behaves, engages and makes decisions. As part of this, the company Purpose and Mission were redefined, giving all employees clear direction on what we do and stand for as a Company but also how we understand and demonstrate the behaviours expected.



Ten UNGC 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 Rights

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.

We commit to:

- + Continuous monitoring of our governance system to ensure compliance with basic human rights within our organisation and those with whom we interact.
- + Compliance with national legislation.

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. We commit to:

- + Reduce the negative impact of our business on the environment, meet or exceed regulatory requirements and continuously seek to improve our processes to achieve high standards.
- + Monitor and Reduce carbon emissions.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery. We commit to:

- + Apply a zero-tolerance approach with respect to corruption, extortion and bribery.
- + Continuously identify ways of maximising the positive impact of our business operations where we have special skills, products or services to make a difference in the communities where we live and work.

Human rights

Policy

In accordance with principles 1 and 2 of the Global Compact Santa Fe supports and respects the protection of internationally proclaimed human rights and ensures that the group is not complicit in human rights abuses. We endeavour to ensure:

- + Health and safety in the workplace.
- + Wellbeing of employees.
- + Good relations with local communities.

Occupational Health and Safety are important priorities for Santa Fe and this area is actively managed by means of risk assessments and regular information to employees about avoiding accidents, illnesses and maintaining a healthy life-style. Occupational Health and Safety is more than a set of procedures and processes at Santa Fe as employees play an important role in contributing to a safe work environment e.g. by reporting accidents, communicating areas for improvement and adhering to company best practices. The Santa Fe Group's Health and Safety policy underpins our systematic approach to managing health and safety in the workplace. Standardised processes and internal and external audits ensure that minimum standards are in place throughout the company.

The Guiding Principles on Business and Human Rights, endorsed by the United Nations Human Rights Council in 2011, set out the responsibilities corporations have with respect to human rights. Those responsibilities include avoiding the infringement of the human rights of others and addressing any adverse impacts on human rights in which a corporation may be involved. The principles call on companies to institute policies and processes appropriate to their size and circumstances, as well as remediation processes to address concerns when they arise. Santa Fe has used the Guiding

Principles, along with our membership in organisations such as the United Nations Global Compact to inform and shape our approach to addressing and communicating human rights issues

Action

In 2017, we continued to train and educate employees on health and safety matters through formal learning sessions and company updates via a dedicated health and safety group on Yammer.

We recognise the importance of work-life balance, and appreciate the value that out-of-work activities bring back into the workplace. Our Health and Safety Policy acknowledges that employee wellbeing is an important factor to maintaining good health. Many new initiatives took place such as exercise mornings and social and sporting events. These activities continue to be shared throughout the organisation through Santa Fe's Wellbeing group on Yammer.

Numerous events took place in our local communities from relief work, removing rubbish from local beaches and volunteering at food banks. In addition, our Hong Kong team ran its fourth annual summer internship programme providing education and work experience for 15-20-year olds from disadvantaged areas.

In 2017, Santa Fe contributed over EUR 90,000 to support Charities such as John Hopkins and John Moriarty Football, Niangala Project.

Risks

The main risk related to our activities include work accidents especially for our operational staff, non-compliance with the Global Compact's principles and the requirements of OHSAS 18001.

Our business activities are subject to various local Health and Safety laws.

KPI's

We measure and monitor the number of work-related accidents resulting in days off work. The KPI reflects developments in safety performance whilst our services are being performed.

Results

In the field of occupational health and safety, the number of accidents with time loss decreased by 16.27% and the number of lost workdays per accident decreased by 9.5%, as depicted in **Fig. 1**, 'Work accidents with days lost 2013-2017'. There were no significant trends in the types of work accidents that occurred and the positive reduction can be attributed to the integration of health and safety considerations in decision-making processes, increased training, along with more cooperation and improved coordination across the organisation.

All OHSAS 18001 certificates were successfully renewed.

Targets

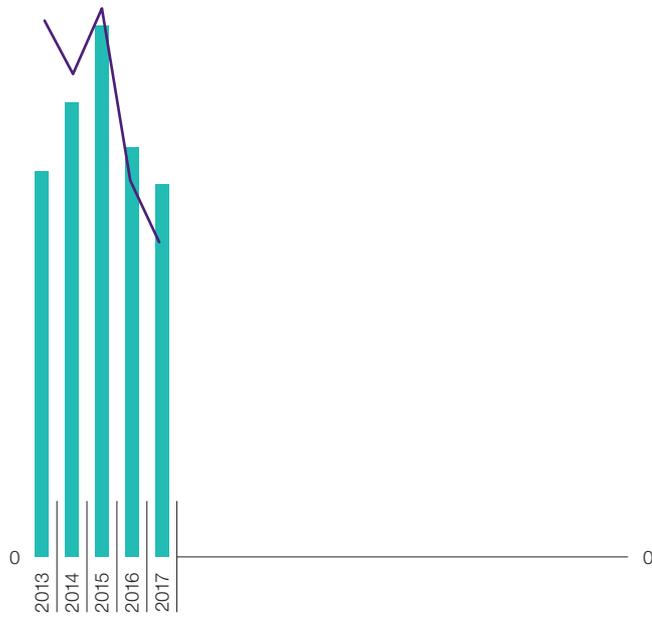
In 2018, Santa Fe aims to reduce the number of work accidents with days lost to zero. We aim to achieve this by continuing to educate employees and integrating health and safety into our decision-making processes.

In 2018, Santa Fe will deploy a corporate citizenship and philanthropic giving strategy. As part of this strategy Santa Fe intends to partner with the United Nation's Migration Agency, International Organisation for Migration (IOM) supporting projects to help migrants work live and thrive in new places around the world.

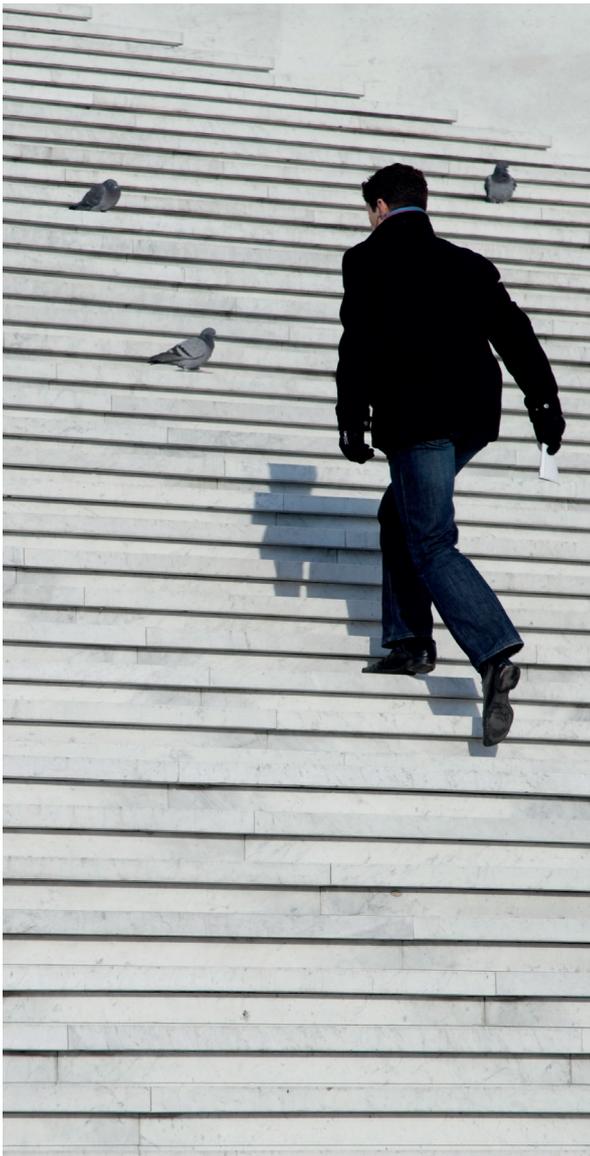
Fig. 1: Work accidents with days lost

70

2,500



- Number of days lost
- Number of work related accidents with lost days



Labour rights

Policy

Santa Fe Group recognises that we work in a richly diverse community and understand the strategic importance of achieving a diverse workforce, which reflects that community. We undertake to recruit, develop and retain the most talented people by valuing the varied skills and experiences they bring to Santa Fe Group and have identified key focus areas to ensure that we are equipping our people with the capabilities they need to achieve their career aspirations and help us meet our goals by:

- + Investing in their training and development;
- + Treating employees fairly and equitably;
- + Combating harassment and discrimination at work, and
- + Encouraging an honest and open culture which values the differences between us.

Retaining employees remains an important aspect of our business, our goal is to remain an attractive employer respecting, supporting and adhering to internationally proclaimed human rights including the basic principles of the International Labour organisation's Declaration of Fundamental Principles and Rights at Work.

Pursuant to Danish legislation on gender equality, Santa Fe also has an objective for the proportion of the underrepresented gender on the Board of Directors. It is Santa Fe's ambition that 25% of the members of the Board of Directors are women. Consequently, Santa Fe will ensure that qualified candidates are considered before the Board of Directors proposes candidates to the Annual General Meeting. However, the Board of Directors' final submission of candidates will always be based on their actual competencies and experiences relative to Santa Fe's needs to ensure that the candidate deemed best qualified is proposed. This may mean that the ambition of a 25% female

Action

In 2017, Santa Fe accepted its second graduate programme intake. As global leader in full-service relocation, our two-year graduate 'Accelerate' programme is designed to further extend Santa Fe's industry leadership through the recruitment and development of the strongest talent. With graduate roles offered at Group headquarters in London and in the Asia-Pacific region, the programme offers practical, hands-on experience through a rotation programme that develops skills and knowledge across the breadth of the company's operations. Following a comprehensive induction, graduates will be provided with an on-going development that will develop their industry expertise and give them the opportunity to work towards further qualifications (for example, Immigrations Level 1 Practitioner course; Project Management and leadership qualifications). Graduates will also gain the opportunity to learn directly from senior leadership with a dedicated mentor from Santa Fe's Strategic Leadership Team helping to steer their learning and development. On successful completion of 'Accelerate', participants will be placed into permanent roles across the globe or be deployed onto projects.

Santa Fe continued to take a globally consistent approach to Performance Management by introducing consistent metrics for our senior leaders, supported by the roll-out of a process through an online performance management system which ties seamlessly into our existing HR Information System and Learning Management System, creating a compelling overall 'online bundle' for our employees. To ensure performance management has a positive impact, it was only mandatory for the top two levels of the organisation to complete this year's process although the process was made available to all office based employees. The process has been designed with constant feedback in mind, e.g. monthly one-on-one meetings between managers and employees to update one another on performance against objectives. This will reduce the potential ambiguity and stresses often caused by formal mid-year and year-end review cycles as employees will have received on-going feedback throughout the year.

An interim employee engagement survey was conducted among our office-based employees using 12 survey items from the Great Place to Work engagement survey. This interim survey allowed us to 'keep our finger on the pulse' and gather important feedback to help inform the 2018 global people initiatives and saw a 69.20% participation rate. The full Great Place to Work engagement survey is scheduled to take place in March 2018. The survey allows us a better understanding of the working environment we need to create to foster a culture of trust at all levels.

Risks

The main risk related to our activities include non-adherence to Santa Fe's principle of preventing discriminatory practices and securing equal opportunities and potential legal, financial and HR-related consequences hereof.

Our business activities are subject to various national laws and regulations.

KPI's

Santa Fe measures and monitors:

- + Gender ratio by seniority
- + Employee absolute turnover

Results

Through our commitment to training and developing our employees, Santa Fe achieved the FIDI academy commitment to excellence platinum award for the second year running. The achievement of this Platinum Award is in recognition for driving and promoting industry knowledge amongst our employees via the FIDI FAIM programme hosted on our Learning Management System.

In 2017, there were no changes to Santa Fe Group's Board of Directors meaning that Santa Fe does not meet its target of having 25% female representation on the Board. Santa Fe aims to ensure that there is female representation on the Board of Directors by 2020.

Fig. 2 'Gender ratio by seniority 2013-2017' shows that the overall female gender ratio increased by 1.94%, with an increase observed in female office staff whereas all other roles saw a decrease in female representation. In 2017, the voluntary turnover was 24%, **Fig. 3** Employee turnover ratio 2013-2017.

The absolute turnover ratio increased by 4% to 24%, as shown in **Fig. 3**, Employee turnover ratio 2013-2017. The increase can be attributed to restructuring decisions made.

Targets

In 2018, Santa Fe aims to have an annualised attrition rate of no more than 15%.



Fig. 2: Gender ratio by seniority 2013-2017

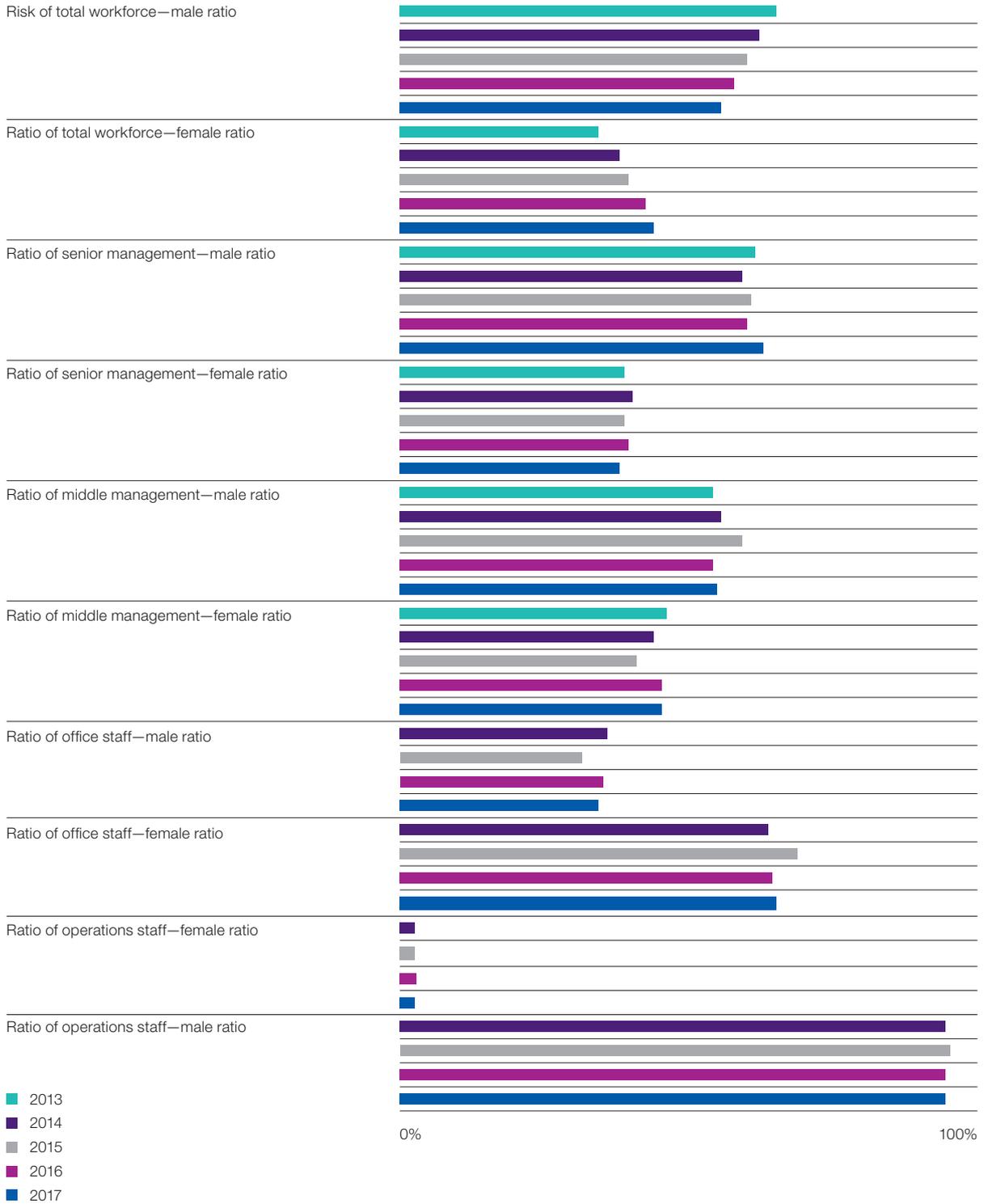


Fig. 3: Employee turnover ratio 2013-2017



Environment

Policy

Santa Fe supports a precautionary approach to environmental and climate challenges, undertake initiatives to promote greater responsibility and climate friendly technologies in accordance with principles 7, 8 and 9 of the Global Compact.

We systematically and proactively protect, respect and safeguard the environment and climate in daily business activities by development of production methods and products, training of employees and influencing suppliers and stakeholders.

Santa Fe's Environmental policy is intended to be sustainable and is being integrated into our day-to-day business practices. As such, this policy is communicated to all staff members and is also available to the public. Santa Fe applies recognised Environmental Management Systems such as ISO 14001 (or its local equivalent) based on the principle of continuous performance improvement. These systems are the basis for the deployment of key elements which include risk analysis, monitoring of environmental performance and compliance to regulations and permits, follow-up of the corresponding corrective actions, review of performance and improvement plans by the management.

Our objectives are to reduce our impact on the environment year-on-year by:

- + Minimising our waste by applying a reduce-reuse-recycle philosophy.
- + Becoming more energy efficient, thereby reducing our greenhouse gas emissions.

Action

Santa Fe's Household goods services continues to be heavily reliant on natural resources in particular materials such as paper, cardboard, plastic etc. We continued our efforts in reducing waste by the application of our reduce-reuse-recycle philosophy. This involves reducing the amount of packing material being used. Santa Fe has a variety of packing training for employees which also educates them on the amount of material needed to be used to ensure that goods are properly protected. Santa Fe has looked at a number of opportunities for reusing packing material, these have ranged from being donated to help local charities, aiding with local relief work, being re-used on household goods moves; where the quality and integrity of the packing material has not been compromised. We have continued our efforts to recycle as much waste as possible and have built relationships with waste management companies looking at innovative ways to recycle different types of waste.

Santa Fe's virtual survey tool was rolled out throughout the Company. The virtual survey tool is an innovative mobile technology that modernises the business of moving and allow surveys to be conducted virtually. This has numerous positive impacts for the moving process but also reduces the fuel being consumed from having a surveyor travel to conduct the survey.

As we grow and increase sales and delivery of our services, we continue to look for ways to increase the efficiency and reduce emissions levels of our fleet. Many of these initiatives have required no additional investment; by promoting the choice of lower-emission models for our fleets, continuously improve the way in which they are maintained and how their routes and volumes are scheduled.

Risks

The main environmental risk related to our activities include excessive emission of CO₂ and waste.

Our activities are subject to environmental laws and regulations governing, among other things, waste disposal and emissions. Risks are monitored locally and from the head office to prevent, remedy or minimise any adverse effect on the external environment.

KPI's

Santa Fe measures and monitors:

- + Waste distribution
- + Fleet fuel consumption per tonnage [MJ/M3]
- + kWh electricity consumed per employee
- + GHG Impacts by scope.

Results

Fig. 4 'Waste distribution 2013-2017', shows that 2017 saw a 5% increase in the amount of waste recycled to 80%, a 4% reduction of waste incinerated to 2% and a 1% decrease in the waste sent to landfill to 18%. An analysis of the data shows that there was an increase in the amount of carton and paper packaging being recycled. The positive reduction in waste incinerated was mainly attributed to a decrease in wood, household goods/ personal effects being disposed of.

Opportunities for improvement have been identified by means of the quality of data being provided in a number of our locations with the biggest impact in our Australia operations where due to process changes there have been difficulties in quantifying the exact amount of waste being disposed of.

The energy used per cubic meter of goods moved by road on our fleet decreased by 12.4% from 105 MJ/M3 to 92.6 MJ/M3 as shown in **Fig. 5** 'Fleet fuel consumption per tonnage [MJ/M3] 2013-2017'. The result has been achieved by improved planning of how routes and volumes are scheduled especially in Europe through the centralised transport department.

Electricity consumption decreased in 2017 by 27.33%. The consumption per employee reduced by 16.79% to 1,675 kWh of electricity consumed per 2,549 employees (**Fig. 6**, kWh electricity consumed per employee). This result was influenced by a number of locations running electricity saving schemes involving initiatives such as turning off the lights when not in use, and auto shut down of computers after working hours. In addition, energy consumption plays a key factor in our procurement decisions and a key deciding factor of purchasing new or replacement hardware or equipment is how energy efficient it is.

Fig. 7, GHG impacts by scope 2013-2017, shows that there was an overall increase in Santa Fe's GHG emissions. There was a 48% decrease in Scope 1 and 2 GHG emissions as a result of reductions in fuel and electricity consumption. Increases in Scope 3 GHG emissions were seen across all modes of transport (air, sea and road) for goods that were transported by third parties including airlines, shipping lines and hauliers (**Fig. 8** Greenhouse gas impacts, scope 3 by mode of transport). The increase appears to be due to an overall increase in the weight of shipments being moved as well as increases in the distances being travelled, across all modes of transport.

All ISO 50001 and ISO 14001 certifications were successfully renewed.

Targets

In 2018, we aim to recycle 80% of all waste produced from cardboard and paper, and reduce the amount of plastic and household goods waste being sent to landfill by 2%. We have chosen not to increase the 2017 target for recycling and focus our efforts on collecting accurate and reliable data from our operations. This will involve establishing better process flows with waste management companies we work with and a streamlined workflow with subcontractors that sometimes dispose of waste on our behalf.

We shall reduce the MJ per cubic meter moved by our fleet to 90 MJ/M3. This can be achieved by continuing to be efficient in the scheduling and route planning of our fleet and also continuously improving the way in which our vehicles are maintained.

Fig. 4: Waste Distribution 2013-2017

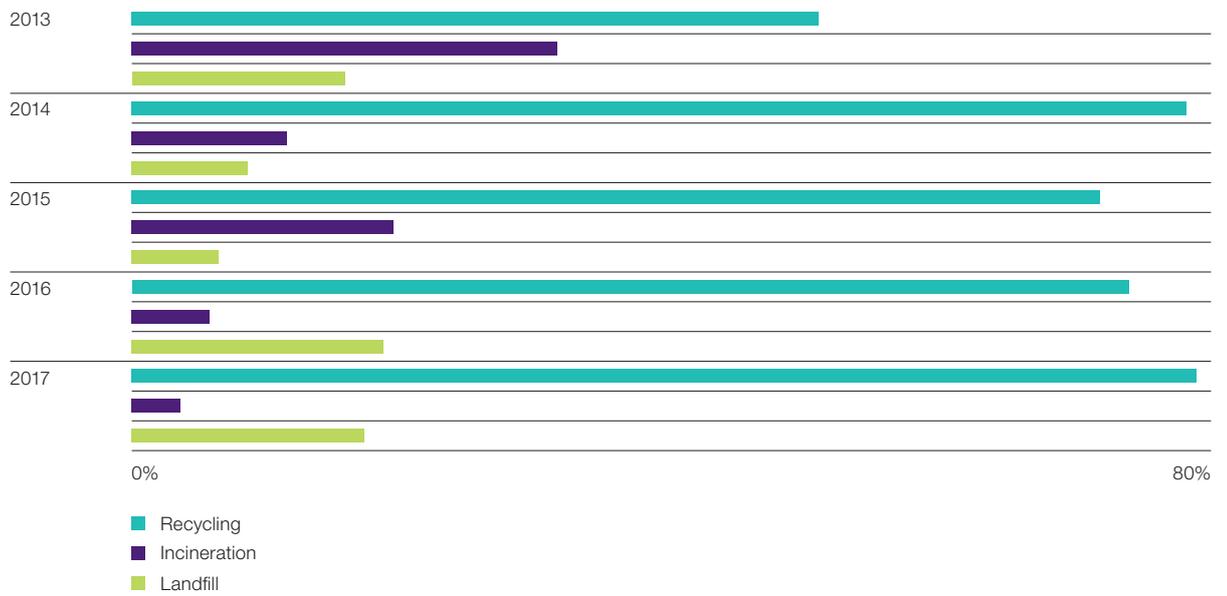


Fig. 5: Fleet fuel consumption per tonnage [MJ/m³] 2013-2017

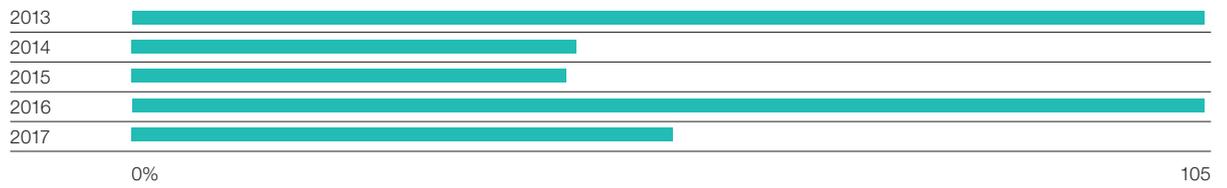


Fig. 6: kWh electricity consumed per employee



Fig. 7: Greenhouse gas impacts by scope 2013-2017

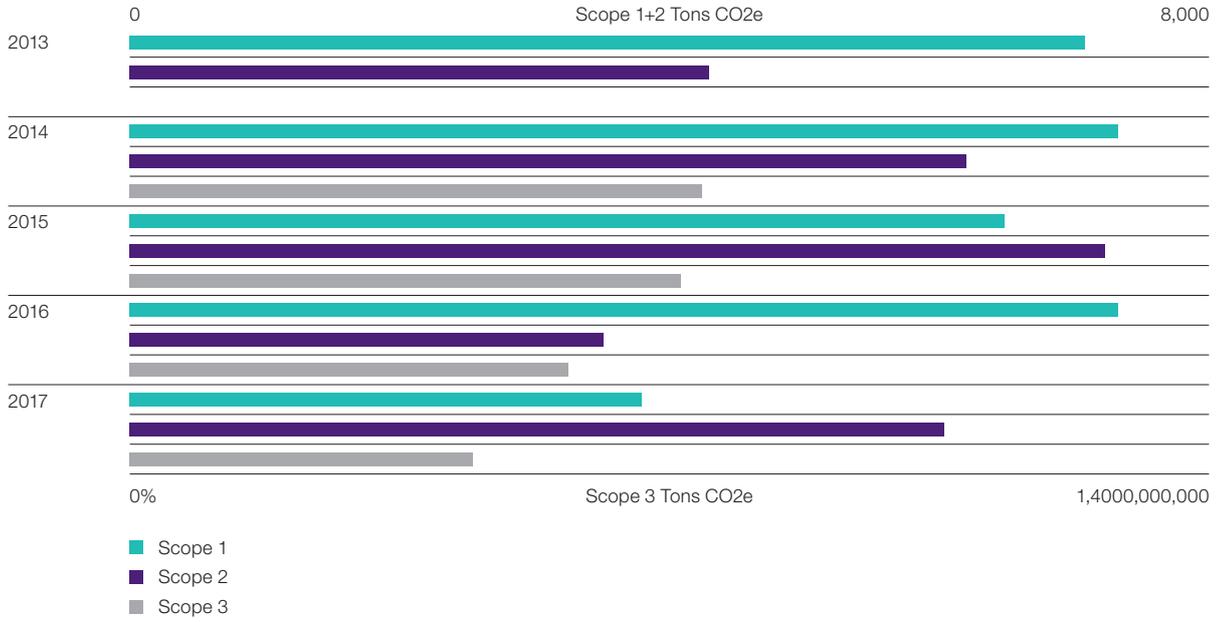
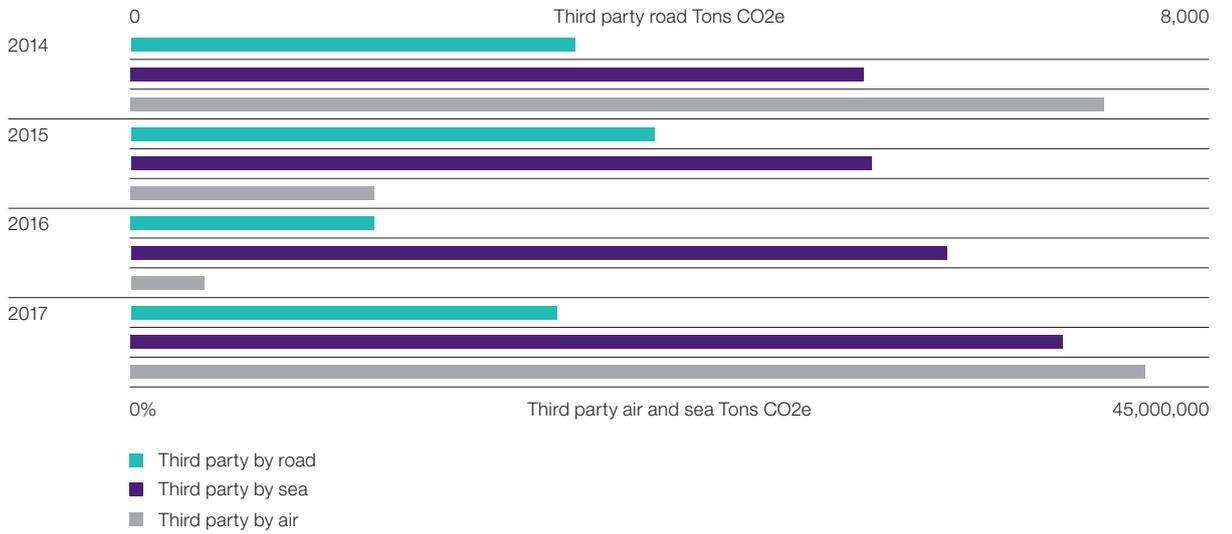


Fig. 8: Greenhouse gas impacts, Scope 3 by mode of transport



Anti-corruption

Policy

Our main activities covering the principles in UN Global Compact regarding Anti-Corruption are detailed within our Code of Business Conduct. According to these, all Santa Fe employees are expected to:

- + Apply a zero-tolerance approach towards corruption, extortion and bribery.
- + Behave honestly, be trustworthy and set a good example.
- + Do not pay or accept bribes in any form.
- + Do not accept or provide gifts, invitations or other advantages which could create a possible conflict of interest.
- + Do not engage directly or indirectly in fraud against any of our partners or government entities.
- + Do not engage directly or indirectly in bribery.
- + Refuse to pay any bribes, including small amount bribes or facilitation payments.

All employees are expected to complete training on the Code of Conduct when they join the company and annually thereafter. The Code is available in 14 languages, and the eLearning Integrity training sessions incorporate real case scenarios. Employees are encouraged to raise ethical questions and concerns, and have multiple channels to do so—anonymously, if they prefer.

The Santa Fe's Integrity Policy cements and elaborates our position against corruption and bribery.

Action

Santa Fe's CEO, sets the tone for our ethical culture by role-modelling ethical behaviour and holding managers accountable; communicating policy and conduct expectations; and overseeing business group ethics and compliance systems. At the beginning of each year, our CEO, General counsel and Group Leadership Team communicates with employees and managers about the importance of ethics and legal compliance. This "tone from the top"—combined with our annual ethics and compliance training, regular communications throughout the year, and educational resources on Yammer and our learning management system—helps to create an ethical and legally compliant culture.

Santa Fe's enhanced supplier due diligence on boarding process proceeded throughout 2017, which included Partner Agreements, due diligence questionnaires including submission of key documents including but not limited to: Company registration certificates, VAT/ Tax registration certificates, anti-bribery and corruption policy, ethics policy, data protection policy, environmental policy, necessary insurances and licences, credit checks to ensure the financial stability of our suppliers and a robust verification process via 'World Check' to identify any connections to pending or convicted criminal activities as well as any associations with politically exposed persons.

Risks

The main risks related to our activities include employees and suppliers' violation of Santa Fe's Compliance Policies and potential legal and financial consequences hereof.

Our business activities are subject to various national laws and regulations as well as legislation with an international reach.

KPI's

We monitor results of internal anti-corruption training and supplier audits on an ongoing basis and adapt our policies and processes if necessary.

Results

In 2017, 100% of employees completed the eLearning Integrity curriculum consisting of modules on Anti Bribery and Corruption, Competition Law and Data Protection.

154 suppliers successfully completed our supplier due diligence on boarding programme.

Targets

In 2018, we aim to have 100% of employees to complete the code of conduct and suite of eLearning Integrity training.



About Santa Fe Relocation

Santa Fe Relocation is a global mobility company specialising in managing and delivering high-quality relocation services worldwide. Our core competence is providing services that help corporations and their employees relocate and settle in a new country. These services are delivered to a consistently high standard, locally and globally, and managed through our own operations around the world. Santa Fe Relocation is wholly owned by the Santa Fe Group, which is listed on NASDAQ in Copenhagen, Denmark. For more information, visit us at [**santaferelo.com**](http://santaferelo.com)

We make it easy