



UN GLOBAL COMPACT

COMMUNICATION ON PROGRESS 2011



CORPORATE SOCIAL RESPONSIBILITY IN SANTA FE

THIS YEAR'S HIGHLIGHTS AND PLANS FOR 2012

Santa Fe is delighted to present its second Global Compact Communication on Progress to our stakeholders. In a year marked by significant expansion, Santa Fe's progress in overall business performance was matched by positive developments in our sustainability agenda. With the addition of 35 countries to our global footprint in 2011, the 10 principles of the UN Global Compact will continue to play an instrumental role by providing the required framework to bridge the local regulations that differ from country to country.

Roll-out of our core CSR programme

In 2011, a core effort was to implement an effective sustainability data collection system which would measure and manage the company's sustainability impacts as well as benchmark operations against each other more effectively. The system was rolled out to all Asian and Australian offices in Q4 2011.

Another priority was to continue the roll-out of CSR policies, work instructions and procedures to the remaining country operations, including WridgWays in Australia. Implementation of the core CSR programme was completed in the Hong Kong operation in 2010. The offices in Singapore and China were up and running by end of Q2 2011 and all remaining offices, except Interdean, initiated systematic implementation in 2011 by, as a minimum, completing the first round of CSR self-assessment with quality assurance from international CSR experts.

Giving back to the community

The company strove to maximise its positive social impact through involvement in many locally-based community projects, e.g., by providing free logistic support to NGOs and local schools. This is one way Santa Fe contributes cost-effectively by making use of its existing physical assets and core competences. In Asia and Australia, the Santa Fe Group contributed more than 1,000 hours of work and made monetary contributions of more than USD130,000 in 2011.

Furthermore, the Santa Fe Group supports selected fundraising activities and donations to worthy causes in the regions where it has operations. The Group donates a total of USD 10 per move to the Johns Hopkins Breast Cancer Research Fund, raising a total of USD 82,720 in 2011. In 2012, the Australian activities will be included in the Johns Hopkins contributions, whereas the European business will continue its support for the Marie Curie organisation.

Impact on sustainability

As a market leader with large global presence and reputation, we are in a unique position to make a significant impact on sustainability in our industry and the markets in which we operate. Through the relocation of more than 100,000 families in 2011 to all parts of the world, the Santa Fe Group is a major globalisation player facilitating a transfer of skills and competences to markets where they are most needed. While we have made great progress in many areas of sustainability during the past decade, we clearly have opportunity to improve in others. The environmental impact of our operations remains a challenge – and one that we can only address one step at a time as sustainable technologies become affordable, and customer demand for sustainable moving and relocation services increases. Ensuring health and safety of our staff is another concern which needs to be on our radar continually.

Accordingly, we have set the following key sustainability goals to measure our progress in 2012:

Relocating more than 24,000 families in 2011 to all parts of the world, the Santa Fe Group is a major globalisation player by facilitating a transfer of skills and competences to markets where they are most needed.

SANTA FE POLICY

Targets for 2012

- In 2012, the Santa Fe Group will develop a formal workplace accident and injury reduction programme across Asia, Australia, Europe and the Middle East with the final goal of being able to reduce incidents by 10 per cent.
- With the implementation of a new data collection system in 2011, Santa Fe will be able to track and record carbon emissions from its operations worldwide in 2012. This information will help the company lower its environmental impact, reduce emissions by 2 per cent in 2012, and commence offsetting emissions with the long-term goal of becoming carbon neutral.
- Starting in 2012, all managers will attend annual training courses in anti-corruption and non-discrimination, and e-learning programmes for selected employee groups will be pilot-tested and implemented. Other types of communication and in-person training will be used to reach employees who do not have easy access to online e-learning modules.
- The Interdean acquisition in Q3 2011 added 48 offices and a new continent to Santa Fe's geographical coverage. Implementing the overall CSR programme and data collection system in these offices will be an important priority in 2012.



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Lars Lykke Iversen CEO Our Mission: We make it easy

Our Vision: Deliver sustainable value

through innovation

Our Values: Quality, efficiency and people

OVERVIEW

Principles	Commitment & Targets	Systems	Actions	Results
People – Social sustainability Principle 1: Support and respect the protection of internationally proclaimed human rights Principle 2: Make sure that we are not complicit in human rights abuses.	2011: Monitored continuously our governance system to ensure compliance with basic human rights within our organisation and with whom we interact - UN Global Compact Principles 1-6. 2012:	Supplier Code of Conduct - revised. Grievance mecha- nism and whistle- blower system - revised. Health and safety	Rolled out a standard- ised Supplier Code of Conduct, grievance mechanism / whistle- blower system, health and safety work instruc- tions – HR manual and ISO 9001 to all offices in Australia and Asia.	Increased employee motivation, retention and satisfaction. Help Santa Fe customers meet their CSR requirements and increase loyalty.
Principle 3: Support freedom of association and the right to collective bargaining. Principle 4: Support elimination of all forms of forced and compulsory labour. Principle 5: Support the effective abolition of child labour. Principle 6: Support elimination of discrimination in respect of employment and occupation.	Ensure that all middle managers and above complete newly created e-learning modules on discrimination and corruption. Recruitment of a Group Talent Manager. CSR gap analysis of Interdean. Reduce work-related accidents and employee turnover by 10 per cent. Collect data on social sustainability KPIs / CSR activities. Promote Supplier Code of Conduct.	work instruction – HR manual and ISO documents - re- vised. SoFi data collection system. E-learning - discrimination module created.	Implemented SoFi data collection system to all offices in Australia and Asia. Roll-out of supplier code of conduct to all major suppliers. Standardise key health and safety definitions and targets for the group. Roll-out of CSR initiative to Interdean. Senior managers engaged in e-learning module.	
Planet - Environmental sustainability Principle 7: Support a precautionary approach to environmental challenges. Principle 8: Undertake initiatives to promote greater environmental responsibility. Principle 9: Encourage the development and diffusion of environmentally friendly technologies.	Reduced the negative impact of our business on the environment, meet or exceed regulatory requirements and continuously seeked to improve our processes to achieve higher standards – UN Global Compact Principles 7-9. 2012: Collection of data to measure the Group's environmental achievements. Reduce carbon emissions by 2 per cent. Ensure minimum Euro 2 norm for trucks by end of 2013. Reuse 100 per cent of packing material where quality is not compromised. Start off-setting of emissions.	ISO – 14001 environmental work instructions and specific objectives. SoFi data collection system.	Standardise key ISO environmental objective across the group. External audit by DNV – measure ISO standards and adherence to UNGC principles. Roll-out of CSR initiative to Interdean. DNV external audit.	Increased employee motivation, retention and satisfaction. Help Santa Fe customers meet their CSR requirements and increase loyalty. Cost savings to the organisation and customers.

OVERVIEW

Principles	Commitment & Targets	Systems	Actions	Results
Profit - Financial sustainability				
Principle 10: Work against corrup-	Apply a zero tolerance approach	Financial audits.	Prohibited bribery and	Improved risk manage-
tion in all its forms, including extor-	with respect to corruption, extor-		extortion in Supplier	ment and legal compli-
tion and bribery.	tion and bribery. We continuously	Supplier Code of	Code of Conduct.	ance within the organi-
	identify ways of maximising the	Conduct.		sation.
	positive impact of our business		Prohibit suppliers via	
	operations where we have spe-	Whistleblow system	Supplier Code of Con-	
	cial skills, products or services to	created for all staff.	duct from giving gifts to	
	make a difference in the commu-		employees to affect	
	nities where we live and work –	Employee manual,	conduct of business.	
	UN Global Compact Principle 10.	training e-learning		
		and anti-corruption.	Revised and updated	
	2012:		employee manual to	
	E-learning training modules.	SoFi data collection	incorporate UNGC	
		system.	principles.	
	Bribery risk assessment.			
			Provide confidential	
	Data collection.		whistleblower mecha-	
			nism to all employees	



PEOPLE: SOCIAL SUSTAINABILITY

Our community support

Santa Fe, WridgWays and Interdean are active in a variety of community events and charitable organisations. This is done to create goodwill, motivate staff and improve the world in which we live. In all markets where Santa Fe is present, sponsorships are given to chambers and other expatriate organisations that are dedicated to fostering international business and social relationships. Some of the community organisations supported by Santa Fe include women's groups, crisis help-lines, international schools, amateur arts organisations, non-profit organisations, sports leagues, Crossroads International, Goodwill, NGOs, OXFAM, Marie Curie Cancer Care and the Johns Hopkins Research Fund, which focuses on the research and treatment of breast cancer.



Santa Fe's commitment to cancer research

Santa Fe Asia and Australia contributes USD10.00 per move to Johns Hopkins and is proud to have raised over USD1.26 million for

the Breast Cancer Fund since inception. Interdean held its fourth annual Rugby 7s Tournament in aid of Marie Curie Cancer Care on 7 August 2011. Established in 1948, this charity employs more than 2,700 nurses, doctors and healthcare professionals providing care for over 30,000 terminally ill patients. Interdean via the Marie Curie Cancer Care raised EUR 40,000 in 2011, and as a direct result of their donations Marie Curie now has two more Gardens of Hope. Interdean also has a charity box scheme, collecting unwanted household goods for distribution at Marie Curie's national network of charity shops.

In addition, Santa Fe once again organised a 5 kilometer Fun Run at the annual International Association of Movers conference for Breast Cancer Research – 8th Annual. This year we raised over USD17,000 at the Denver, CO conference. The Hong Kong operation held a charity Christmas party for the Real Estate Industry for the benefit of the Hong Kong Breast Cancer Foundation raising over USD5,000 and supported the Pink Charity Walk with transportation assistance and tents. The Japan office supported the Run for the Cure in Tokyo, and Singapore supports the Terry Fox Run fundraiser every year by providing free mineral water and tents. Proceeds from this event go to the Singapore Cancer Society research programme.

Bangkok floods

In 2011, Thailand faced the worst flooding in over fifty years. People, businesses and industries were all greatly affected. People lost their homes and businesses were destroyed. Manufacturing and distribution of food and water practically stopped. During that time, Santa Fe - Thailand committed itself to helping those businesses and people in need.

The Santa Fe staff, most of whom were effected in one way or another, showed renewed focus, dedication and commitment to helping customers as well as the general public. In some of the worst affected areas, the staff had no time to remove their own goods before the water entered their homes. Yet, they still came to work through multiple means of transportation. Santa Fe Thailand assisted in finding and paying for temporary homes for staff members, helped move goods out of the affected areas or up to higher floors for staff members and others in the community, distributed survival kits to the most needy and raised funds to help rebuild and fix homes of those affected.

Children's rights and welfare

Much of the support offered to communities comes in the form of employee voluntary contributions geared towards local community based projects throughout the region such as beach clean-up, Cub Scouts, Girls Scouts, SOS Children's Village, International and Local Schools and youth sports programmes.

In 2011, Santa Fe became a member of the Leadership Council 100, which is designed to support the Foundation for Social Change of Life – Economic Opportunity for Women & Girls education programme teaching life and business skills to girls and young women in poverty around the world.

In October of 2006, Santa Fe donated funds to build the Santa Fe Laoling Hope School in Sichuan, China via EAC's foundation. Every other year our CEO returns to the school to meet with the staff and students and witness their many accomplishments. In May of 2011, Santa Fe donated 12 air conditioners prior to the height of the summer heat.





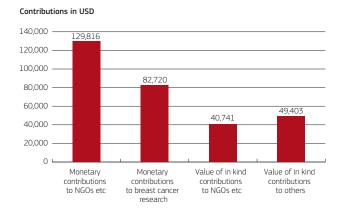
Santa Fe Hope School in Sichuan, China. Lars Lykke Iversen - Santa Fe CEO visits the school in May 2011 to donate 12 air conditioners.

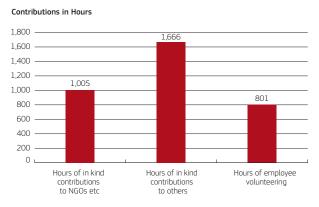
FIDI 35 Club, Stuttafords and Interdean are working in a collaborative effort to raise funds for Bertrams Junior School in Johannesburg, South Africa. South Africa is a significant market for WridgWays and Interdean. The school, which caters to Johannesburg's most poverty-stricken surrounding areas, is drastically over-crowded. The group is actively looking to raise funds and acquire the land next door to the school to facilitate its expansion.





In 2011, Santa Fe (Asia and Australia) and its employees have contributed more than 1,000 hours and monetary contributions of USD130.000 to NGO's. More details about contributions are provided in the charts below.





CARING COMPANY AWARD

For its CSR efforts in 2011 and 2012, Santa Fe – Hong Kong was awarded the Caring Company Logo by The Hong Kong Council of Social Service in recognition for good corporate citizenship. Companies receiving this prestigious award need to satisfy certain eligi-



bility requirements before they can use the Caring Company logo. Companies that have exhibited efforts on volunteerism, promote employee-friendly initiatives, willingness to accept employees with disabilities, practise environment-friendly efforts, share expertise to charitable groups and giving donations to non-profit organisations.

People - High standards for high quality service

The employees are key to success, and they are the greatest asset, which differentiates Santa Fe's services from those of the competitors. Santa Fe strives to retain the best and the brightest employees in the industry.

To maintain the high quality standards that result from employee satisfaction and low employee turnover, Santa Fe supports a work environment conducive to good health. Santa Fe strives to be the employer of choice for its 2,823 employees (counting Interdean). This includes respecting and supporting internationally proclaimed human rights including the basic principles of the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

Skills, performance and ethical conduct shall be our only indicators for employee qualification. Santa Fe will not tolerate discrimination with respect to gender, race, religion, age, disability, sexual orientation, national origin, social status or any other protected discrimination grounds.

In 2011, an e-learning module on non-discrimination in the workplace was created. The module was tested and approved by senior managers and will be disseminated to all managers in 2012.

The employee manual, which contains clear guidelines and rules for everyone working in any of our regions and business units, was reviewed and updated in 2011 to reflect Santa Fe's CSR commitments.

Grievance mechanism

To ensure compliance with all internal policies and regulatory requirements, a grievance mechanism was established in 2010. Through this mechanism employees are encouraged to report their concerns regarding conditions of employment, unfair treatment by management, supervisors or other employees, health and safety issues, working conditions or any other work-related problems or concern to their immediate supervisor. In 2011, the mechanism was shared with all staff in Asia and Australia. The grievance mechanism will be shared with all Interdean colleagues by Q2 2012.

Corporate health policy

Santa Fe actively manages health and safety risks, providing employees with regular information about occupational health and safety, e.g., avoiding accidents and illnesses and maintaining a healthy lifestyle. The ISO 9001 quality manual and employee manual include work instructions for health and safety. In 2012, Santa Fe will introduce a group-wide definition of work accidents to ensure that all stations collect and report data in the same manner. In addition, key health and safety performance indicators for the entire group will be created.

In 2012, the Santa Fe Group will target a 10 per cent reduction in work-related accidents (based on a common calculation method when compared to 2011).

Training

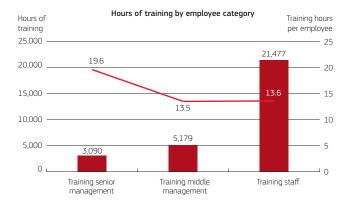
Santa Fe is committed to on-going training of all employees and consistent delivery of 'world class' service. This quality can be achieved only through a proactive, managed training and development programme. Our induction programme for all staff regardless of grade covers the following key areas:

- Health and safety training and procedures
- The quality programmes ISO 9001/14001/ISO27001 and their policies
- $\bullet\,$ HR issues including discrimination, corruption and data security
- · Company profile / policies
- Customer service, sales, service delivery, insurance, etc
- Whistle-blower system and grievance mechanism

All employees are encouraged to further their careers and development through recognised qualifications. For example, there are employees studying for examinations in areas as diverse as fi-

Work accidents in Santa Fe Asia and Australia





nance, global mobility, business management, sales management, health and safety, customer service, English and real estate. Santa Fe also runs an exchange programme allowing team members from across the region to experience working in another country.





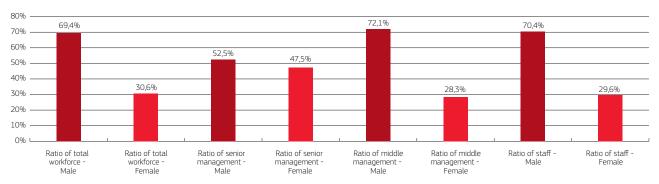
In Q2 2011, Santa Fe created and filled the position as group trainer. The mission of the general managers in the group is to identify the training needs of regional offices and develop a practical induction programme and effective delivery model to ensure consistent service provision across all Santa Fe offices, to assist in providing guidance and support to regional offices in analyzing customer feedback and to implement corrective measures to prevent repetition of incidents.

In 2012, the general manager of operations will focus on merging best training practices from Santa Fe, WridgWays and Interdean. Interdean's philosophy of talent retention is similar to that of Santa Fe and is of paramount importance. In pursuit of this goal in 2007, Interdean introduced the Interdean Academy and opened its training centre which is now located in Brussels, Belgium. The training programmes have been written by Interdean's HR and training team, who are also qualified FIDI trainers. The programmes are designed to cover all areas of the relocation service and all areas of the business.

Diversity

While the moving and storage industry remains male dominated, group data suggests that Santa Fe needs to work towards a more favorable ratio of female and male employees. As office staff is already very well represented by male employees, it is necessary to find a unique approach to recruite females in the operations. The goal will be to increase the percentage of female staff by 3-5 per cent per year.

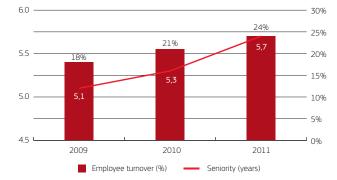
Santa Fe gender ratio



Employee turnover

The average employee turnover increased again in 2011, and we will focus all efforts to reduce this trend in 2012. The reasons for the increase in employee turnover are primarily due to the high turnover rates in China, Malaysia and Taiwan where employees with English-speaking abilities are in high demand. In addition, Australia was added to the 2011 data and is a market with relatively higher turnover. To deal with these challenges and to further develop our staff, Santa Fe will hire a group talent manager in 2012.

Santa Fe average seniority and employee turnover



Overtime - an industry challenge

Overtime is an example of one of the remaining challenges we face. The moving and relocation industry is affected by high seasonality and limited availability of qualified temporary workers, which adversely affect the working conditions of our employees. Santa Fe is addressing this issue by hiring temporary workforce and outsourcing to third party providers, while at the same time complying with local legislation and paying overtime compensation.

Suppliers

Another area in which Santa Fe has made good progress during the past year is with the global network of suppliers. Santa Fe is grateful for the support and partnership which suppliers have provided in the area of ethical sourcing. All suppliers are expected to adhere to the same ethical principles. For this purpose, Santa Fe has drawn up a supplier code of conduct, which sets the standards for doing business with the company. The supplier code of conduct helps encourage suppliers to adhere to ethical and environmental standards. It covers areas such as child labour, forced labour, compensation, working hours, discrimination, health and safety, business continuity planning, improper payments / bribery and the environment.

Since Q1 2011, the supplier code of conduct has been included in new procurement contracts including renewals and existing long-term agreements. All offices in Asia and Australia are using the supplier code of conduct and confirm that 43 per cent of all key suppliers have signed an agreement. In 2012, Santa Fe will target to receive 66 per cent of vendors confirmed and roll out the code of conduct to Interdean's suppliers by Q2 2012.

Examples of people objectives in 2012:

- Increase female staff by 3-5 per cent
- · Hire group talent manager
- Reduce turnover ratio by 10 per cent
- · Identify best "People" practices between Santa Fe, WridgWays and Interdean and implement a common platform where possible
- Train all managers on the issue of non-discrimination and equal opportunities





PLANET: ENVIRONMENTAL SUSTAINABILITY

Seeking to conserve the environment is at the heart of our sustainability work. Responding to climate change is the number one environmental priority - Santa Fe wants to help preserve the environment for future generations.

Reducing emissions and resource consumption

A logistics organisation emits CO_2 and consumes resources. At Santa Fe, ISO14001 is a key strategic priority for our business to reduce the impact on the environment. It brings together all efforts to manage the impact on climate change across all divisions, regions and countries. It also helps improve the way in which environmental impacts under local regulations are managed. To help track the progress towards achieving a better performance, Santa Fe has set several environmental objectives for all operations. All of the targets are measured, reviewed and audited by a third party, DNV, on an annual basis.

The industry is also heavily reliant on natural resources, particularly materials such as paper, cardboard, plastic, tape, etc. for office use and packing materials. In 2011, Santa Fe recycled 88 per cent of all waste with the remainder going to landfill. In 2012, Santa Fe will incorporate Interdean's waste data and will strive to recycle 90 per cent of all paper packing materials via an external recycling company.

As a logistic provider with a fleet of trucks exceeding 490 units in Asia and Australia, road transport is a major environmental impact area for the Santa Fe Group. In 2011, our Asia and Australia stations consumed 1.1 litres of fuel per m³ of goods moved.

With the implementation of a new data collection system in 2011, Santa Fe will be able to track and record carbon emissions from its operations worldwide in 2012. The target is to reduce emissions by 2 per cent when compared to the volume to be moved in 2012; and commence offsetting emissions with the long-term goal of becoming carbon neutral.

As a group, none of the operations received a fine or non-monetary sanctions for non-compliance with environmental laws or regulations in 2011.

Tree planting in Indonesia

Santa Fe - Indonesia continues to support the One Million Trees initiative in cooperation with the NGO Yasasan Tanam Pohon Indonesia. Santa Fe plants a tree for every outbound sea shipment as of 1 July 2010. This amounts to approximately 500 - 600 trees per year. Through the project Santa Fe aims to raise awareness of deforestation and climate change issues in Indonesia.

Environmental footprint of suppliers

Santa Fe cannot meet the environmental targets alone. That is why environmental guidelines have been specified in our supplier code of conduct which states that suppliers must comply with all applicable environmental laws, regulations and standards as well as implement an effective system to identify and eliminate potential hazards to the environment. As stated in ISO 14001, all suppliers will be reviewed annually to ensure compliance.

In recognition of our environmental efforts, two of the Asian offices received local recognition for promoting environmental practices and management in 2011:

- Santa Fe Hong Kong received the Sectoral Awards of the 2011 Hong Kong Award for Environmental Excellence (HKAEE) Transport and Logistics (Certificate of Merit)
- Santa Fe Thailand received the American Chamber of Commerce Corporate Social Responsibility 2011 Excellence recognition for the second year in a row.

Examples of environmental objectives in 2012:

- Reduce carbon emissions by 2 per cent
- Incorporate Interdean's waste data and strive to recycle 90 per cent of paper materials
- · Continue to meet or exceed all regulatory, legal and other requirements
- To reuse 100 per cent of packing material where quality is not compromised
- Ensure all equipment is Euro 2 norm above by the end of 2013

PROFIT: FINANCIAL SUSTAINABILITY

Santa Fe is committed to compliance with international anti-bribery standards as stated in the Global Compact and local anti-corruption and bribery laws.

Code of conduct for our business

The employee manual clearly states that Santa Fe will deal with all customers, suppliers and others in a straightforward manner and in compliance with international anti-bribery standards as stated in the Global Compact and local anti-corruption and bribery laws. In 2012, 29 per cent of management and 32 per cent of staff were trained in anti-corruption practices. In 2011, Santa Fe created an e-Learning module to provide all managers within the organisation an annual refresher on the company policy on corruption and bribery. The module was tested and approved by a group of senior managers and will be disseminated to all managers in the group in 2012. With the acquisition of Interdean, Santa Fe will incorporate the UK Bribery Act in to the e-learning module as it calls for changes to our existing policies and procedures

Whistle-blower system

In parallel to the revision of our employee manual, we established a whistle-blower system with the purpose of managing the CSR roll-out and ongoing compliance management. Employees can report incidents relating to accounting and financial irregularities and violations of laws and regulations via the dedicated hotline and / or via a confidential e-mail address, which was launched in the summer of 2010. An ethics and compliance committee was established within the organisation to support the whistle-blower system. In 2011, Santa Fe had one reported incident which was resolved under the new system.

A set of risk management policy guidelines has been approved by the Supervisory Board to strengthen Santa Fe's risk assessment in 2012. These guidelines constitute the Santa Fe Group's overall control environment along with other internal policies and procedures, management structure, legislation and regulations

Santa Fe provides support for all domestic economies in which the group operates through the taxes paid and other tax revenues that are made possible by the economic success.

As a group, none of the operations received significant fines or non-monetary sanctions for non-compliance with laws or regulations.

Suppliers

The supplier code of conduct states that a supplier may not offer services, gifts or benefits to employees in order to influence employee conduct in representing Santa Fe.

Examples of profit objectives in 2012:

- Bribery risk assessment
- Regular maintenance of the governance structure to combat corruption
- Roll-out of anti-corruption module to all Santa Fe, WridgWays and Interdean managers
- Develop e-learning module on anti-corruption for relevant staff

SUSTAINABILITY = GOOD BUSINESS

The result of Santa Fe's CSR and sustainability efforts is a more productive and competitive company due to increased employee satisfaction and productivity, improved processes, better relations with key stakeholders and greater customer satisfaction and loyalty. Sustainability is increasingly becoming a parameter of competition for the company as a service provider to major international corporations. Sustainability provides Santa Fe the ability to help our customers achieve their sustainability commitments.

For more information regarding the sustainability efforts of Santa Fe please contact Managing Director for Hong Kong, Lance Allen at Lance. Allen@santafe.com.hk or go to www.santaferelo.com