

ANNUAL REVIEW 2015





Water. Fire. Climate.

All crucial for human life. At the same time posing an unpredictable threat to valuable property.

CONTENTS

2015 highlights	2
CEO message	4
Who we are	6
Market dynamics	8
Services and solutions	12
Water	14
Fire	22
Climate	28
Employees	32
Governance	36
Financial model	38
Financials in brief	40
Group management	42
Country presidents	43
Board of directors	44

Enter Polygon.

We provide solutions to prevent, control and mitigate the effects of Nature's Disasters. Our knowledge and technology are leading-edge. More importantly: our people have a passion and heart for giving help. We are always by your side. Whenever there is a problem. That is why so many customers side with us.



Water



Fire



Climate

Polygon in figures.

250,000*

yearly assignments

3

continents

13

countries

300*

depots

2,800*

specialists

440*

million € sales

«

24

hour service

60

years' experience

* Figures are approximate

2015 highlights



Successful strategy shift of the Polygon US operations. Focus on Temporary Climate Solutions and Document Restoration.

[Read more on page 11](#)



Luc Hendriks appointed Chairman of the Polygon board.

[Read more on page 40](#)

2015 – a turning point for Polygon. Financial performance improved by 70 percent.

Summer flooding in France and winter flooding in the UK.





Efficient cross-border cooperation when disaster strikes.

Read more on page 25



Acquisition of Harwell Document Restoration Services, European leader in specialist services within recovery and reinstatement of documents, books, photographs and artwork after damage.

Read more on page 11

Nordic frame agreement with IF renewed.

New corporate website launched.

New country management appointed in Norway, Germany and the US.

Read more on page 40



A turning point for the Polygon Group

As 2015 commenced, Polygon faced many challenges. Our two key priorities were to build and develop our organisation and improve profitability. I am pleased to share with you that we have been successful in both areas. It is no exaggeration to call 2015 a turning point. Our results have improved by almost 70* percent since last year. This has been achieved in a year with fewer weather-related events. The simple conclusion is that the quality of our earnings has improved significantly and provides a good starting point for the next step in our journey.

BUILDING AND DEVELOPING OUR SIMPLE ORGANISATION

One of the key contributors to the achievements in 2015 has been the conception and successful implementation of the Polygon Model. The most significant driver is the change in management philosophy to one that is truly decentralised, with a bottom-up approach that provides clear accountability.

It is therefore crucial to create a strong base with entrepreneurial unit managers who are able to operate responsibly and autonomously within a clear framework. The Polygon model provides such a framework and guides our managers and employees step-by-step through our business processes. This ensures that things happen in the right order and nothing is forgotten or overlooked. With its various stages, the model is the primary tool by which managers are turned into leaders and carriers of our corporate culture. All Polygon employees take responsibility for their customers and their own operations. This is clarified through systematic measurement and performance evaluations.

RESTRUCTURING FOR IMPROVED PERFORMANCE

Based on the principles and guidelines of

the simple organisation we have continued to build an optimal structure that helps us create efficiency, consistency, comparability and a common language among the countries where we operate. The indirect cost reduction had a significant impact on the result improving by 70 percent in 2015.

Most noteworthy on the result are the effects of the restructuring programmes in Germany and the US. Both countries demonstrated strong performance during the autumn following the mid-year implementation of new structures. Our country management changes were also completed in 2015. Notably, 11 out of 13 countries performed better than the previous year. This confirms the strong management set-up we now have in the Group.

OUR VALUES SHOW THE WAY

Our three guiding principles – Integrity, Excellence and Empathy – summarise the attitude and approach to our work that create long-term economic value for our customers, employees and shareholders. During 2015 we have embarked on an ambitious programme related to our core value of Integrity. As the undisputed leader of Property Damage Control services we have recognised

that by being a good corporate citizen we can drive industry standards. We have launched an extensive programme named ***Our Responsibility***, centred around business ethics and corporate social responsibility. The initiative will be fully operational during 2016 and will set Polygon even further apart from its competitors.

GAINED MARKET SHARES

Polygon will continue to drive the pace of change in 2016. Our medium-term ambition remains to attain revenues of €500 million and an EBITA margin of 8 percent. We have seen very good development in most areas that we identified as priorities for 2015. Our portfolio of existing customers has continued to grow in a declining market and indicates we have gained market shares from our direct competitors. We have in several countries also successfully developed customer segments outside the insurance segment and enlarged the potential market. Our overheads have been significantly reduced at all levels: Group, Country, Area and Unit. Under new leadership, Germany has executed an ambitious restructuring programme and has in doing so achieved the required step change.

* EBITA before NRI

FURTHER FOCUS ON EFFICIENCY

The main priority for the coming years will be to further improve and refine the profit contribution from our operations. We have seen a continuous erosion of gross margins over recent years as a result of a highly competitive landscape. In order to meet our objectives, we will need to improve efficiency and refine our operational processes. Apart from enhancing capacity planning and avoiding underutilisation, we will continuously improve our delivery process. The roll-out and implementation of an ambitious new mobile field force system – Metrix – is expected to support this development.

“We have seen very good development in most areas that we identified as priorities for 2015.”



OUR PEOPLE MAKE THE DIFFERENCE

As we enter 2016, we will continue to focus on our people first, based on the strong conviction that engaged, happy employees lead to satisfied customers and, ultimately, healthy profits. The Polygon model will be rolled out on an even wider scale, boosted by the Polygon Academy. The goal is to broaden the number of ambassadors that spread the important message of our business philosophy throughout the organisation.

ALWAYS BY YOUR SIDE

Polygon has more than 2,800 employees in 13 countries, spread across three continents. Their backgrounds vary. Local conditions vary. Customers vary. But there is only one Polygon. By using

best practice, standardised procedures, structured processes and clear global guidelines we have created one corporate culture. This is instilled in every Polygon employee. We seek to deliver the best achievable quality by offering innovative solutions that are always a combination of our people, knowledge and technology. Our values guide us in our day-to-day work. They are bred-in-the-bone of every employee. We never compromise on what is best for the customer and we take pride in being – Always by Your Side.

Polygon is now in good shape to continue its exciting journey with great opportunities for profitable and sustainable growth. I would like to thank all our customers that have chosen to put their

faith and trust in us, as well as our dedicated employees who have made our progress possible. They make the difference, day in and day out.

Stockholm, April 2016
Erik-Jan Jansen
President & CEO

People are our driving force

All of our 2,800 people are guided by a strong inherent corporate culture. It constitutes the foundation for the way we act and work. Quite naturally, since it is our employees that make the Polygon difference. Committed, dedicated professionals create satisfied customers. Which in turn is the only way to create a long-term profitable business.

THE DEDICATED EXPERT

Polygon offers a complete range of services to prevent, control and mitigate the effects of water, fire and climate to meet the needs of all our customers. Having a clear focus and being a dedicated specialist in our industry enables us to deliver a unique offering. We are the global expert in property damage control. Always striving to be best at what we do, with high quality and excellence in every area.

MAKING A DIFFERENCE

We offer both standardised and tailor-made solutions to a wide variety of customers. Our standards are high thanks to our committed people with a passion for helping others, combined with our outstanding knowledge and state of the art technology. Every year, we complete more than 250,000 assignments to help

companies, homeowners, the public sector and insurers solve their problems. The experience and insight we gain from this drives our continuous development. It allows us to truly understand our customers' needs. And sets us apart from our competitors.

DELIVERING ON PROMISE

Our brand promise Always by Your Side reflects what our customers can expect from us. It goes beyond our service offering. Adding an extra dimension of our deep customer involvement. Our strong local presence backed by our global strength enables us to be close to our customers. We are there when they need us the most. So that they can get on with their lives. We deliver on our promises by applying Integrity, Excellence and Empathy to everything we do.

“ We offer both standardised and tailor-made solutions to a wide variety of customers.”



Brand promise

What we promise

Focus

Our core business

Mission

What we do

Approach

How we do it

Values

What we believe in

Customer segments

To whom we deliver

Service lines

What we offer



Always by your side

The global expert in property
damage control

We prevent, control and mitigate the effects
of water, fire and climate

Solutions through people, technology and knowledge

Integrity, Excellence and Empathy

Companies, Households, Public sector and Insurers

Water Damage
Restoration

Fire Damage
Restoration

Temporary
Climate Solutions

Specialist
Services

Being global, acting local

Polygon is a major player in property damage control. We do business in 13 countries on three continents. Thus combining local understanding with international insights in a unique way. By backing our customer focused resources at our 300 depots with our global strength and experience we can always tailor our efforts to fit each customer's unique set of needs.

75
25

Around 75 percent of Polygon's business is related to predictable damages occurring on a seasonal basis. The remaining 25 percent is related to more extreme events and therefore of a volatile and less predictable nature.

COPING WITH MARKET DEMANDS

Polygon is a leader in a market with attractive dynamics. There is a stable and cyclical demand for property damage control services driven by insurance claims. Around 75 percent of Polygon's business is related to predictable damage occurring on a seasonal basis. These include water leaks and fires that are non-weather related. The remaining 25 percent is driven by more extreme events such as storms and floods. They are of a less predictable nature and can be volatile within a country or region for a specific quarter.

This 75–25 mix is a challenge to our industry. On the one hand, resources must be available to cope with bigger and unexpected damage swiftly and efficiently. On the other hand, it is not economically feasible to constantly maintain oversized organisations only to be able to match extreme situations. This is where scale and resources are important. As a big, flexible, cross-border player, customers can always draw on our comprehensive resources when needed.

SIZE MATTERS

There are also other market trends that benefit larger industry players. Insurance companies are focusing on fewer suppliers and more framework agreements. Geographic reach, resources, reliability

and professionalism are important selection criteria when these framework agreements are awarded. Only a handful of companies in each market can live up to these requirements the way Polygon can.

There is also a preference for “one-stop-shops.” Particularly in larger projects, insurance companies increasingly prefer suppliers that can manage the entire restoration process. This way, they can deal with fewer suppliers. Accordingly, Polygon has moved up the value chain so that we can manage other subcontractors like plumbers, carpenters and electricians.

Customers are also making higher demands for greater transparency, better documentation, reduced administration and faster handling. On the strength of our size and corporate resources, Polygon is currently investing in new front-end IT systems to further improve efficiency and customer service.

POLE POSITION

Polygon works in an extremely fragmented market. We hold a top position in the markets where we are active and are the undisputed European market leader with a market share of around 8 percent. There is actually only one other player that can be called European, but with significantly lower turnover than Polygon on this continent. The rest of

the market is very fragmented with many small businesses. Close to 80 percent of all property restoration jobs in Europe are assigned to small local companies covering only a limited geographical area.

Polygon handles approximately 250,000 assignments every year, far more than anyone else in Europe. These jobs span from minor €200 orders to bigger projects with order values exceeding €5 million.

UNLOCKING MARKET POTENTIAL

Our starting point is always our customers and their needs. This approach allows us to detect and further explore business opportunities. It is the key to unlocking the full potential of the market. All in line with our ambition to become a full-service supplier also offering consulting and mitigation services.

This is reflected in our systematic approach to the market. Customers are grouped into segments. Within each segment, jobs are graded according to complexity. A low-complexity job

typically involves only one service line and no project management. A medium-complexity job may require more than one service line, including project management and multiple site visits. Complex jobs usually have a high order value and require multiple service lines, many technicians and often the use of subcontractors.

A STABLE CUSTOMER BASE

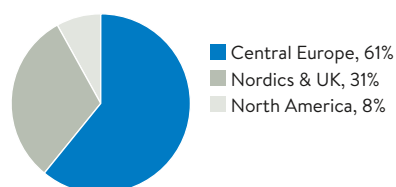
Polygon has a roster of blue-chip insurance companies. They constitute some 70 percent of our business. Relationships are stable, long-term and reinforced by the ongoing integration of IT systems. We are proud to be the preferred supplier of many well-known enterprises. Our other important customer segment is companies in construction, industry and managed property. They account for around 20 percent of our total turnover. Overall, we do not depend on a few big customers but have a wide spread, both when it comes to services offered and geography.

LEADING OUR INDUSTRY

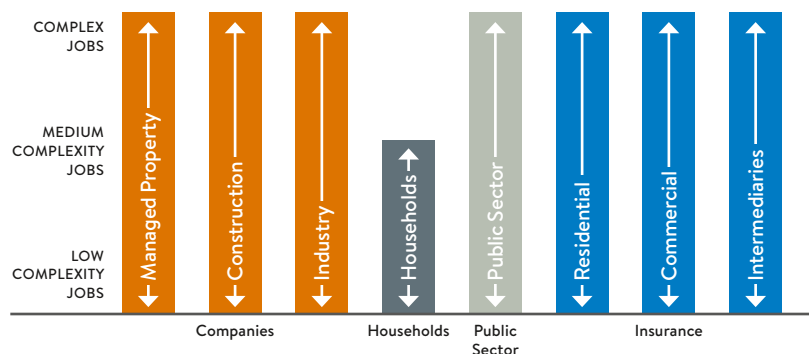
To a large extent, our industry is still in its infancy and thus experiencing growing pains. We are putting ourselves in the driver's seat to make it more mature and lead the industry. It must be clearly recognised as a specialist trade requiring dedicated skills. Professionalism must be further emphasised and demonstrated. Our efforts must be rewarded in a more sustainable way. The important contributions we are making in our day-to-day work as well as in connection with major natural disasters must be more prominently appreciated.

To achieve this, we cooperate with industry associations and our partners. We have a strong ambition to lead the industry by developing quality standards. This includes promoting ethical business practices, environmental initiatives and better conditions for everyone working in our business.

SALES BY GEOGRAPHY 2014



CUSTOMER SEGMENTS



We have grouped our customers into segments based on their similar sales process and service delivery needs. Within each customer segment, jobs are graded according to complexity.

Earn the right to grow

2015 was a year of getting the basics in place. This is reflected in the activities reported from our subsidiaries around the world. The pace of change is swift everywhere. The targets are set – and ambitious. And we can already see positive results of initiatives taken. This is a springboard for further improvements during 2016.

DENMARK: A KEY PLAYER

A new customer service centre was established. It has already improved internal and external efficiency. Polygon is a key player in the Danish market and has a strong reputation for experience and quality. In 2015 we saw an increase in job volume from key customers and the outlook for 2016 is bright.

FINLAND: GETTING IT RIGHT

Focus was on the fundamentals. And putting the right people in the right positions. The change was implemented according to the Polygon Model. The company is now ready to launch a market offensive. A new centralised service centre was also established to take care of customers in a much more structured way.

NORWAY: IMPROVING FLEXIBILITY

The contract with one of our biggest customer in Norway, IF, was renewed. This creates a foundation for a closer partnership. Important new contracts with major customers outside the insurance business were also signed. To cope with seasonal variations in demand, tools are being developed to improve our flexibility.

SWEDEN: NEW CUSTOMERS, NEW OPPORTUNITIES

A tough year since the weather has been unfavourable (from a Polygon point of view). Focus has been on activities to develop our offering towards new customer segments, especially the building industry. New standards for moisture levels are creating opportunities for our consulting services.

THE UK: COPING WITH ORDER BOOST

Orders increased by 30 percent in 2015. To cope with this, Polygon immediately recruited new specialists. They had a thorough introduction and rapidly became productive. Document restoration specialist company Harwell, acquired in 2014, was smoothly integrated into the Polygon operations.

AUSTRIA: A GOOD YEAR

Our investments in leadership at all levels are paying off. Our teams are highly motivated. The integration of the Tinkler acquisition from 2014 has been successful. On the customer side, our main focus has been portfolio development for existing clients. The result: we are meeting our tough budget quotas. And our employee- and customer satisfaction scores are moving upwards.

BELGIUM: FOCUS ON PEOPLE

The organisation was aligned with the Polygon corporate values during 2015. Business lines were assessed to maximise the value of existing staff. Leak detection specialists were trained to be multi-usable. New customers were gained in the construction and building market as well as the technical climate control area.

FRANCE: KEEP IT SIMPLE!

Last year's focus was on simplifying and restructuring the French organisation. The guiding principle has been to dedicate the right person to the right position. There is a strong ambition to get further and more deeply involved with industrial clients. To strengthen the offer in temporary climate solutions, we have established a partnership in pest control.

GERMANY: BUILDING MUSCLES

The headquarters of the Polygon organisation were consolidated at one location – Olpe. The regional structure was strengthened by a strategic relocation. And the internal work to implement the Polygon model continued according to plan. This has further strengthened Polygon's position as the German market leader.

THE NETHERLANDS: ON THE MOVE

A lot of major projects in fire and water restoration. Polygon also won a four-year contract in maintenance drying equipment for the Ministry of Defence. This solidifies our No. 2 position in the Dutch market. Focus is still on getting the basics in place. There are 50 percent new faces in key positions. Our aim is clear: to be the leader in our business.

CANADA: RIGHTSIZING THE ORGANIZATION

In view of the negative market dynamics and declining performance, 2015 mainly addressed the areas of structure, processes and people. The organisation was flattened to create clear accountabilities. Improvements were focused on delivering customer satisfaction and developing and retaining talented individuals as a key resource.

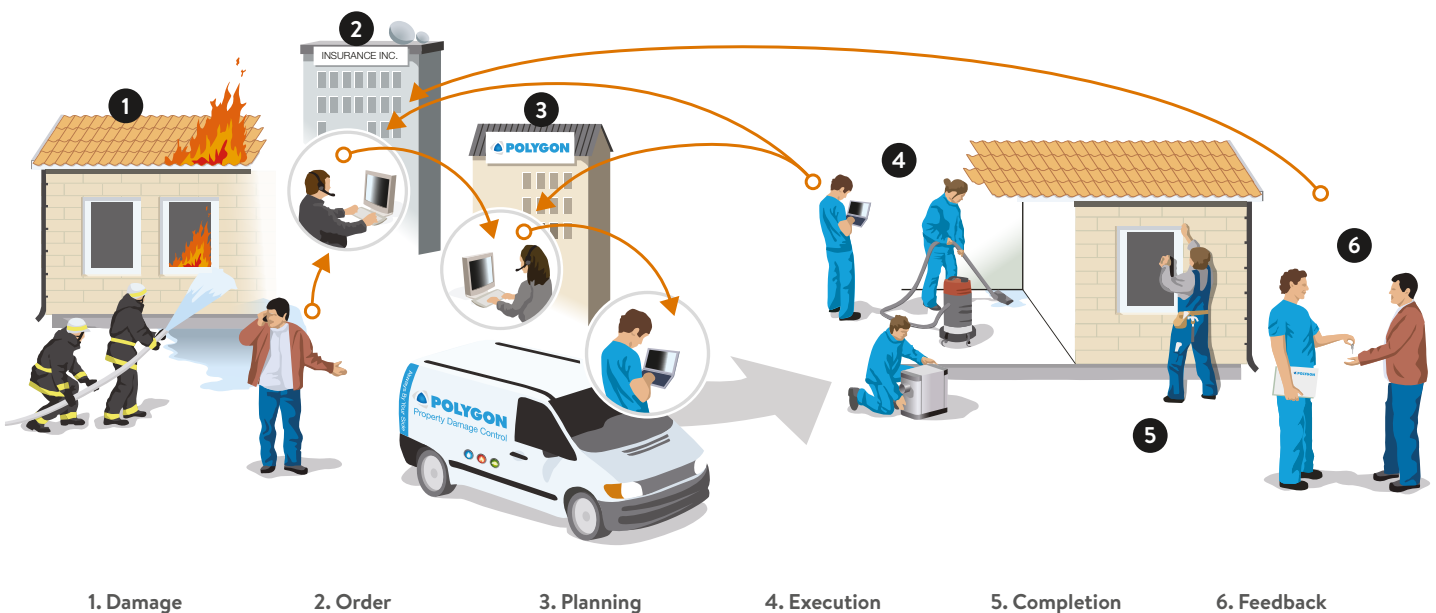
SINGAPORE: FOCUS ON SHIPYARDS

The Singapore operation now fully concentrates on rental of equipment. Shipyards cater for almost 90 percent of revenue. During 2015, two new shipyards were added to the customer roster. However, the shipbuilding industry is expected to slow down due to the fall in oil prices, so 2016 will be a hunt for new business opportunities.

THE US: SUCCESSFUL STRATEGY SHIFT

The Polygon US business underwent a complete strategy shift during 2015. Exit from the Property Damage Restoration sector. Focus moving forward: Temporary Climate Solutions and Document Restoration. Costs and personnel have been slimmed accordingly, making Polygon US a dedicated and competitive player in the marketplace.

Through years of experience with many different customers, we are able to organise our sales efforts and our service delivery to suit different customer needs, both standard as well as customised solutions. We constantly improve and develop our processes. The illustration shows our process after the notification of claim to completion. This process helps us to grow and maintain our position as the leading provider of property damage control services.



Offering one-stop-shopping

Water. Fire. Climate. Whatever the cause of the problem, Polygon offers a complete range of services – from standardised to tailor-made solutions. We are the fully fledged specialist in property damage restoration and temporary climate solutions. Every year, we take on more than 250,000 assignments. From the very small to the immense. Helping people and businesses return to normal after damage caused by adverse events.

WE PREVENT, CONTROL AND MITIGATE

By tradition, our focus is on the restoration of damaged property. This is more cost-effective and environmentally sustainable than rebuilding. We have a wide range of services covering every aspect of this area. From damage assessment to post-incident mitigation. Thanks to our well-stocked toolbox we can tailor our services precisely to fit each and every customer and the scope of the damage. Our expertise is available to each individual customer. We are organised so that we can manage consistent service delivery in several simultaneously ongoing

assignments. On average, a property restoration job takes ten weeks to complete.

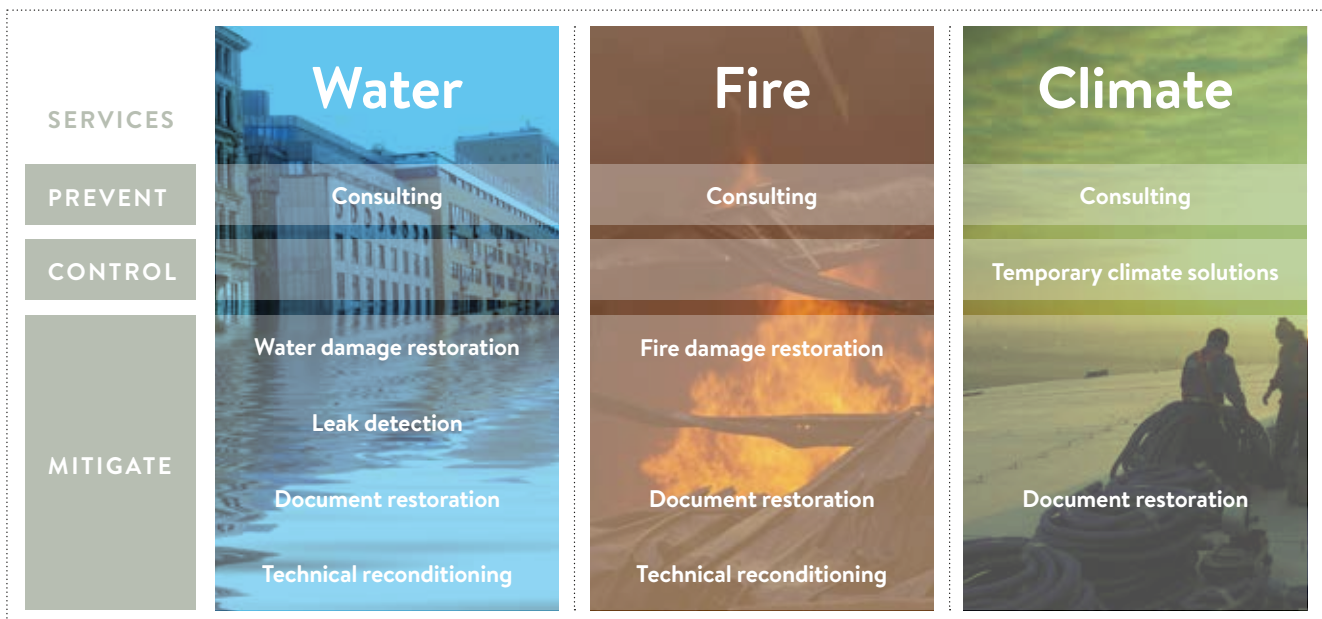
There is also an increasing demand for preventive measures. How do I identify risks? How do I avoid incidents? How can I achieve better moisture control? Questions like these are covered by our consultants. So, Polygon is active and present at both ends of the scale. From drawing board solutions to making a damaged site workable again.

WATER. FIRE. CLIMATE.

Our services are categorised according to the cause of damage. Our specialists

are organised the same way, although we can shift and regroup our resources to take care of major disasters that require an “all-in” effort from us.

In order to improve operational excellence, we hold regular forums for all service lines attended by specialists from all countries. At these sessions, we share best practice, highlight innovations, learn from various projects and present new products. The aim is clear: to improve our procedures so that we can work cross-border as a unified team.





A 320,000 m² moisture challenge

The four new buildings at the world-famous Karolinska University Hospital in Solna, Sweden are due to be completed in 2017. They will offer some 8,000 rooms, including 36 operating theatres and 168 examination rooms. All for the benefit of improved health care.

A structure of this size requires 700 kg of concrete per square metre. With 320,000 m² of floor space it all adds up to an incredible amount of concrete. And it has to be sufficiently dried before the floors are laid. Otherwise you will have problems: big problems. Recent research shows that up to 80 percent of all warranty cases in buildings are moisture-related. So, how do you achieve moisture safety in a project of this gigantic size?

Enter Polygon: Each of the construction phases of the new hospital has its own moisture safety manager. They are working according to several stringent international certification standards. A Polygon expert was called in to ensure that everyone played as a team and there were no weak links in the chain. The designated role: coordinating the entire project. Representing the bird's-eye view. Liaising between the moisture safety crew and the contractors. Simplifying the plan so that everyone involved could grasp the scope. Improving reporting procedures. Ensuring that no detail, however small, is missed.

Throughout the process, our Polygon expert performed inspection rounds to identify moisture risks. This generated action plans and scheduled follow-ups. Taken as a whole, the entire moisture control process was sorted. The teamwork with all staff went smoothly and according to plan: a tough job well done! Everyone could relax and wipe the sweat from their brows.



Water

Flooding. Heavy rain. Storms.
Frozen or leaking pipes. Whatever the
cause of the damage, actions must be
immediate and professional.

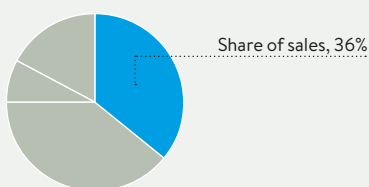
Enter Polygon.



Taking the right actions

Every time we are called in to deal with water damage, the first thing we have to do is to define our line of actions. We have to quickly assess the problem and its scope. We have to prevent further damage. We have to mitigate the damage. We have to arrange professional drying of the site. Only then comes the meticulous job of restoring the site. And salvaging damaged property to the greatest possible extent.

WATER DAMAGE RESTORATION



OUR WATER DAMAGE RESTORATION SERVICES INCLUDE:

- Alarm response
- Damage assessment
- Claims handling
- Demolition
- Drying
- Mould remediation
- Remote video
- Remote monitoring
- Specialist water services

RESTORATION STEP-BY-STEP

Our water damage restoration services typically include pumping away residual water and removing furniture and other valuables to prevent further damage. Once the damage is mitigated, the drying process begins, using energy-efficient drying and dehumidification equipment.

Factors such as the composition of the wet materials, airflow and humidity levels determine the approach. Sometimes the use of heat mats or heat sticks is required in addition to standard equipment. In certain cases, Polygon takes on responsibility for restoration of the site, such as replacement of wall and floor materials or the rebuilding of fittings. This is a growing business for us.

EVERYTHING UNDER CONTROL

By using technology such as remote monitoring, the drying process can be monitored off-site. Temperature, humidity, moisture content and carbon dioxide levels are then continuously measured from a remote control centre. This helps reduce drying times and the number of site visits while keeping customers better informed. It also spares the environment.

COPING WITH MAJOR ACCIDENTS

For large-scale disasters, Polygon has an emergency stock of dehumidifiers, fans and other equipment – the Polygon Eurostock. From this central hub, essential equipment can be put into operation within 24 hours. All over Europe. The service is unique and gives us the capacity to respond powerfully to major incidents with immediate action. This in combination with our cross-border resources of specialists makes Polygon the obvious choice when extreme and weather-related events threaten homes and essential services in society. Our resources are always only a phone call away.

MAKING WATER-DAMAGED EQUIPMENT WORK AGAIN

Polygon has built up a highly specialised service for reconditioning damaged equipment and machinery. This is mostly done in connection with fire damage. But it is also increasingly common in association with water damage. You can read more about our unique reconditioning services on page 27.



Empathy at work

When an older English woman returned home after a short trip, she was greeted by a very unpleasant surprise: her boiler had sprung a leak, causing extensive damage throughout the house. Eight rooms were seriously water-damaged, as were several pieces of antique furniture and valuable oil paintings.

Enter Polygon: The woman's insurance company immediately contacted Polygon and our claims adjuster was quickly on the spot to handle the problem. In no time, an electrician was called in to reinstall electricity so that the drying process could begin. An expert was also appointed to restore the antique furniture and another specialist to start rescuing the oil paintings.

So far, our Polygon expert had "only" done what was expected. Fast and efficiently. But there was not only a practical problem to be solved, but also a human one. The woman who owned the house had a severe visual impairment. She was therefore afraid to stay in temporary accommodation while her house was being restored. When asked if there was anywhere she would feel safe, she explained that she had a holiday home in France, where she also had friends who could help her.

Said and done. Our Polygon specialist carefully calculated the cost of a stay in France for the woman, including all transports. This actually turned out cheaper than the standard solution for temporary accommodation at a hotel. Naturally, the insurance company had no objections. So, what started as a disaster for the woman ended on a happy note for everyone involved. Always by our customers' side!



The art of climate control

The Yale Center for British Art in Connecticut holds the largest and most comprehensive collection of British art outside the United Kingdom. In January 2015, the Center closed its doors to the public to embark on extensive interior building conservation project. Along with the refurbishment of public spaces, enhancement of amenities, and improved accessibility for disabled patrons, significant upgrades were made to vital mechanical, electrical, plumbing, and telecommunications systems. One of the greatest challenges during the project was minimize the risk of damage to all the valuable works of art that remained in the building during conservation by stabilizing the indoor climate.

Enter Polygon: After careful consideration, this delicate task was entrusted to Polygon. Not least because our Polygon team could effectively meet the desire for not only the artwork, but Center staff, to remain in the building during the three month period when auxiliary control methods were needed to maintain the climate. Quite a bold promise in any case, and bolder still as this work would be carried out during the hottest and most humid months of the year.

In short, the assignment of our Polygon team could be pinned down to two figures: humidity of 50% and temperature of 20°C. In all the interior spaces. Around the clock. Throughout the entire period when the museum's own climate control systems were taken off-line for upgrading. To achieve this, the building's mechanical system was relieved by an interim solution. Temporary equipment was installed both inside and outside the building, with conditions constantly monitored by a system designed by Polygon. All to keep everything under full control.

In October 2015, the temporary climate control work was successfully completed according to plan. The museum stayed open to staff, art handlers, and construction teams throughout the period, allowing them to go about their own important work. Demonstrating that climate control also can be an art in itself.

OUR DOCUMENT RESTORATION SERVICES INCLUDE:

- Disaster recovery
- Emergency stabilisation
- Complete project management
- Vacuum freeze drying
- On-site drying
- Sanitisation
- Smoke and soot (carbon) removal
- Deodorisation
- Dehumidification and drying
- Scanning
- Storage
- Consulting

“45 percent of organisations that suffer loss of key data go out of business within six months. Document restoration makes sure that consequential losses of critical documentation can be avoided. Claim life cycle can also be dramatically reduced.”

SALVAGING VALUABLE DOCUMENTS

Each year, we perform services to salvage millions of paper and film-based documents from damage caused by water or fire. The types of documents may range from historical artefacts to tax, medical and legal records.

Damaged documents deteriorate quickly, so timely and appropriate recovery is necessary to halt the progression of damage. Polygon uses the most technically advanced processes and equipment to meet the specific needs of each project.

We have three service centres to perform professional document restoration – in Germany, the UK and the US. Polygon understands the need for minimal interruption and strict attention to security. We adapt each assignment to the unique nature of the damaged documents. Our specialists are able to quickly identify and recommend the best recovery method for a particular material, based on the value of the documents and the level of damage. They are welltrained in information recovery and up-to-date on the most advanced techniques available.





OUR LEAK DETECTION TECHNIQUES INCLUDE:

- Acoustic
- Closed-circuit television
- Correlation
- Endoscopy
- Thermography
- Infrared
- Tracer gas

FINDING THE INVISIBLE LEAK

We also offer a range of leak detection services. These reduce risk and mitigate damage by providing accurate, non-destructive detection where traditional methods will be destructive or have already failed.

A leak may be undetectable to the naked eye but might be located in, for example, a pipe, a roof, a heating system or a swimming pool. The potential damage as a result of a leaking pipe should not be underestimated. A 0.5 mm leak could lose 20 litres of water an hour! We use multiple techniques to identify leaks and minimise damage to the property, including infrared cameras, tracer gas, smoke and air pressure. All repairs are carried out by our fully qualified engineers.

We employ a number of technologies to detect leaks in situations from small-scale domestic water pipe leaks to major pipeline constructions. In order to avoid invasive measures such as large-scale excavation, we use specialist equipment and technical expertise to locate hidden leaks quickly and accurately.

Since prevention is key, our service is designed to identify areas of concern before damage occurs. In the event of a problem, we can advise on the best course of action to mitigate the damage.





Play it cool

During work on the new terminal at Norway's largest airport, Gardemoen, the general contractor made an alarming discovery in the spring of 2015. The building features a special roof structure, with a roof overhang of 2.5 metres from the exterior wall. Plywood had been used under the roof. Unfortunately, this material had suffered mould damage as a result of the wet spring weather. Furthermore, the mould damage extended all the way around the building, a total distance of around 200 metres.

Enter Polygon: Four of our damage assessment engineers were called in to inspect the site. They soon realised that this would be no ordinary assignment. To start with, the building was a full ten metres tall. In order to start the restoration process the team therefore needed to use sky lifts. They also had to arrange cooperation with a number of other tradespeople who were also working on the site. All with their own agendas and deadlines. And in the background they had the client, who was losing money every second that construction was at a standstill. An additional factor that complicated their task was the rigorous security regulations at the airport.

In spite of these challenges, Polygon's engineers were able to quickly get to work. The chosen method was dry ice blasting. Utilising dry ice with a temperature of -80°C , the mould was removed from the damaged surfaces. Moisture engineers from Polygon performed moisture tests and the team outsourced an external laboratory for mould testing. When all of the surfaces had been treated with dry ice, they could verify that all traces of mould had been eliminated.

The client was very satisfied with Polygon's rapid and effective response and responded in kind. It took an unusually short amount of time from completion of the job until the invoice was paid.



Fire

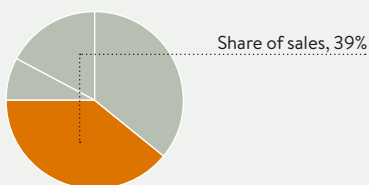
Clearing soot and debris.
Drying up water left by the
extinguishing work. Restoring
buildings, machines and equipment.
Those are the major restoration
challenges after a sudden fire.
Enter Polygon.



Quickly back to work again

Polygon's role in a fire incident is to clean up after the fire and mitigate the secondary effects. This includes smoke damage, oxidisation and water damage caused by extinguishing the blaze. Our services also include the restoration of damaged equipment and managing subcontractors to restore the property to original condition. All to make the site ready for operation as soon as possible. Time is money.

FIRE DAMAGE RESTORATION



OUR FIRE DAMAGE RESTORATION SERVICES INCLUDE:

- Cleaning
- Transportation
- Contents removal & storage
- Carbon removal
- Ultrasonic cleaning
- Odour neutralisation
- Corrosion control
- Reconstruction of property and contents
- Technical reconditioning

FROM START TO FINISH

Cleaning up a fire site involves clearing ash and debris and salvaging what can be saved. In some cases, the clean-up will reveal further water damage, which necessitates a drying process. The final consequence might be a more substantial effort and work to replace damaged surfaces and structures.

Large fire damage restoration jobs may require sharing knowledge and equipment between different Polygon units. We often deploy subcontractors for reconstruction assignments, for which we always strive to take the project management role.

Polygon is also equipped to take on cross-border jobs, as well as on ships and oil platforms. We have specialists certified to work offshore in these highly specialised environments.





Going through fire and water

Last year, one of Europe's leading printing houses located in the southeast Netherlands suffered major damage. One of their presses was severely damaged by fire. Not only was this a serious disruption to their operations, it was also in the midst of the summer holiday season. How could they find companies with available capacity to handle a clean-up and salvage job? On a Saturday!

Basically, the company needed to be up and running within a week to avoid a costly loss of business. So, the job had to be done by Wednesday. That meant only four days in total to complete the restoration work.

Enter Polygon: Given the scope of the assignment, no single damage restoration company in the Netherlands was able to provide the necessary capacity. The job required 250 specialists working around the clock. So, three different companies were contacted by the insurer's claims adjuster. Polygon Netherlands was one of them.

To increase capacity to cover the required shifts, Polygon Netherlands immediately contacted their colleagues in Germany. They are only a few hours' drive from the Dutch border. The response was immediate: a team of 75 German professionals were ready to start the job on Sunday morning in cooperation with the Dutch staff. In addition, they made their Large Loss specialists available.

The large project skills of our German Polygon team were crucial to success. Their professionalism and discipline set the standards for everyone involved. Paper stock and debris had to be removed from the 30,000 square metres that had been damaged by smoke, soot and water. Sky lifts were used. And up to 450 people were working in the space at any given time. Safety regulations and standards were therefore extremely rigorous.

The job was completed according to specifications. And on time. Literally correcting the printer's error.



The Atlantic axis

Luxfer Group is one of the world's largest providers of high-performance materials and components for demanding customers. To improve production structure, they had decided to close down their factory in Ratingen, Germany. So, in the autumn of 2015, they needed to move a large amount of equipment from the German plant to their premises in Calgary, Canada. However, the machines were in bad condition due to operational dirt and abuse during operation. So they wanted them to be cleaned professionally before the new start-up in Canada.

Enter Polygon: To get the job done, Luxfer contacted the Canadian Polygon organisation. They in turn immediately contacted Polygon in Germany to strike up a transatlantic collaboration. This axis offered major opportunities to smooth the way for the client. Luxfer could focus all its energy on bureaucratic issues connected with the closure of the German plant. Polygon Canada assisted them with these administrative services. At the same time, Polygon Germany provided all the practical services needed on site by getting the factory equipment and machines in like-new condition by disassembling, cleaning and reassembling the machines.

Luxfer could calmly devote themselves to the closure of the plant. In the meantime, all their machines were reconditioned and made ready to start their new operational life in Canada. All within the established timeframe.

OUR TECHNICAL RECONDITIONING SERVICES INCLUDE:

- Restoration of electronic devices
- Assembly and disassembly
- Repair
- Modernisation
- Storage and sales
- Construction and development
- Delivery and assembly of spare parts

24h

Polygon has an emergency stock of dehumidifiers, fans and other equipment in the Netherlands that can be deployed throughout Europe within 24 hours.

MAKING FIRE-DAMAGED EQUIPMENT WORK AGAIN

Polygon has a centre of excellence in Germany for technical reconditioning of water- and fire-damaged equipment, tools and machinery. This is a highly specialised service that is usually carried out jointly with the equipment manufacturer and under strict quality guidelines.

It involves dismantling machinery – often manufacturing equipment or complex instruments – damaged by fire or water. A typical assignment will require cleaning of each component, recalibrating and then reassembling it. It is all about precision work that requires specialist knowledge and technical expertise. Every step of the way.

SAVE UP TO 60 PERCENT

Typical applications for reconditioning include power electronics, computers and office machines, medical equipment, telecom devices and electrical panels. Our technical reconditioning can save up to 60 percent of the cost of purchasing new machinery. It also reduces business interruption. New equipment delivery usually entails much longer waiting times and requires retraining of workers in its use. The financial benefit is even greater in the light of the administrative burden of sourcing replacement equipment and the business interruption costs during an extended period of downtime.

DOWN TO THE SMALLEST DETAIL

Technical reconditioning requires special knowledge and technical expertise at every step of the process. We use 3D

technology to make accurate drawings of the products. We dismantle down to the smallest detail. We clean in ultrasonic baths, through ice blasting or with chemicals.

We work hand-in-hand with manufacturers to thoroughly understand the assembly and speed up the process. The work can be executed on the customer's premises or in-house at our technical centre. Our expertise is there to take on any problem, anywhere in the world.

“Our technical reconditioning services can save up to 60 percent of the cost of purchasing new machinery.”

SALVAGING FIRE-DAMAGED DOCUMENTS

Polygon has three service centres for restoring damaged documents. This expertise is mainly used in connection with water damage, but can whenever possible be employed in connection with fire-damaged material. Polygon uses the most technically advanced processes and equipment to meet the specific needs of each project.

You can read more about our unique document restoration services on page 18.



Climate

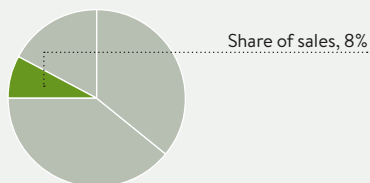
Drying. Cooling. Heating.
Whenever the climate conditions
of a site need modification,
considerable expertise is required
to make sure conditions are perfect.
Enter Polygon.



Achieving the perfect climate

Our climate solutions involve controlling the temperature or humidity of a building or manufacturing environment. We offer a set of drying, cooling, heating and remote monitoring services. Typical assignments vary and may last from several months to a year or more. Our consulting services manage and plan for the effects of moisture throughout the entire life cycle of a building.

TEMPORARY CLIMATE SOLUTIONS



OUR TEMPORARY CLIMATE SOLUTIONS SERVICES INCLUDE:

- Dehumidification
- Humidification
- Air conditioning
- Heating
- Air exhaust
- HEPA filtration
- Chilled water
- Total climate control
- Remote monitoring
- Equipment sizing
- Project engineering

OUR CONSULTING SERVICES INCLUDE:

- Damage assessment
- Radon assessment
- Classification of green buildings
- Density testing and thermography
- Construction planning
- Measurements
- Control and monitoring
- Advance simulations of heat and moisture transport

MANAGING MOISTURE LEVELS

We can heat a construction site during sub-zero temperatures. We can reduce moisture levels on an oil platform so that it can be repainted. We can control moisture levels in a food processing plant during humid summer months. Just to give a few examples.

When the climate conditions of a site need modification, considerable expertise is required to make sure that the right equipment is in place to achieve the desired results. This includes extensive knowledge about building construction, airflow dynamics, ventilation requirements, the impact of ceiling height and draught doors and the effects of outdoor temperatures and humidity levels.

We employ continuous measurement and tracking to ensure the right conditions are maintained over time. Our solutions, coupled with the right equipment, can manage moisture levels, control temperatures and filter air with continuous monitoring.

LIFE CYCLE CONSULTING

In a damage assessment, our consultants are called in to determine the scope of the damage, analyse test results to ascertain the cause and recommend appropriate actions.

In addition, we perform project planning and measurements to create better indoor environments for property owners. Throughout the entire life cycle of a building. Our expert building engineers

are then engaged to ensure that issues stemming from moisture are minimised and managed. All in order to effectively build and ensure the operation of a building.

AVOIDING PROBLEMS FROM THE OUTSET

More than 50 percent of construction errors occur on the drawing board.

Through early identification of at-risk structures from a moisture standpoint, the customer can avoid costly future renovations.

Polygon's consultants are certified moisture safety engineers who can help in many areas: Moisture damage investigations. Selection of the right materials. Advice for a dry construction process. Phasing out or remediating hazardous substances. Damp-proofing and radon detection. Particularly in the Nordic climate, moisture management is a critical investment that can lead to considerable savings on future property damage costs.



Going analogue in a digital world

In the autumn of 2015, Polygon was contacted by the American embassy in Oslo. They were planning new construction in their enclosed area. To avoid moisture damage to furniture, flooring and other materials, they wanted to maintain a relative air humidity of between 35 and 40 per cent throughout the construction process. As a result of the rigorous security regulations at the embassy, the client had several rather unusual requirements for how the work would be carried out. For example, no digital equipment was permitted.

Enter Polygon: A real challenge! Instead of using the digital equipment our technicians normally rely on, we were forced to calculate the old-fashioned way. And instead of monitoring humidity digitally, we had to use analogue instruments that continuously measure air temperature and humidity. Recording was made graphically on a roll of paper! Furthermore, these thermo-hydrographs had to be adapted manually to equip them for use in this specific assignment.

After careful calculations, our Polygon engineers came to the conclusion that they would need 50 condensation dehumidifiers and eight thermo-hydrographs to achieve the desired results. Fortunately, it turned out that the team had reckoned accurately. When the construction project was completed just over three months later, they could proudly say that they had succeeded in keeping the humidity at the desired levels, twenty four hours a day, throughout the entire construction period. The client was satisfied and highly impressed by Polygon's flexibility.

Our people make the difference

We employ the best technology when working with our customers. But in the end it is our people who make the real difference. Their dedication and knowledge are crucial to our success. We do everything to make their job easier. We have a simple organisation. Our structure is flat. Accountability is clear. Decentralised entrepreneurship is encouraged. Focus is always on the customer. All according to our Polygon model.

THE POLYGON MODEL



At Polygon, we have a transparent framework for our managers to guide them in their daily work. It is called the Polygon model and contains a clear business philosophy and management principles

to show the way forward. It contains everything we need to become the global expert in property damage control.

OUR FRAMEWORK FOR SUCCESS

Polygon has over 2,800 employees in 13 countries. Their backgrounds vary. Local conditions vary. Customers vary. But there is only one Polygon. To guide our employees in their day-to-day work we have developed the Polygon Model. It outlines our business philosophy and our management principles. It is actually more than just a model. It is the very lifeblood of our company. By using best practice, standardised procedures, structured processes and clear global guidelines we have created one corporate culture. This is instilled in every employee of Polygon. And it is reflected in every interaction with our customers. All over the world.

ALWAYS BY YOUR SIDE

Every day, we meet thousands of customers whose properties are damaged. Their lives have been severely disrupted. And they feel vulnerable and lost. The way we work must reassure them and instil hope. That is bred-in-the-bone of every Polygon employee. We have to demonstrate genuine empathy and support for their predicament. We have to assure them that their properties will be restored in the shortest time possible.

This is the foundation of our success as a company. Our people have the ability to cope with change. We are engaged in our work. We have an instinct to help other people. We take responsibility. We make quick decisions that benefit our customers. As a customer, you can rely on us to carry out our mission effectively. We are Always by Your Side.

LEAD BY EXAMPLE

Polygon strives to be an employer of choice and perceived as an attractive workplace. We continuously endeavour to create a positive and open working climate in order to build our employer brand over time.

It is a fact that companies and teams with good leaders create engaged employees. Engaged employees mean more satisfied customers which ultimately results in a more profitable operation. Polygon takes pride in leading by example. We have a structured approach to practice what we preach. And we continuously measure for progress.

This is conducted annually in an internal survey. All employees in all countries are invited to participate. The response rate is remarkable. This year 2015, 92 percent of our more than 2,800 employees participated. This is a very high figure and demonstrates the importance our people ascribe to these issues. The results form the basis for further improvement in our way of working. At all levels. Participating teams follow up their results. The current situation is reviewed. Targets are defined. And team-oriented plans are put into action.

TAKING THE TEMPERATURE OF OUR ORGANISATION

The Polygon Employee Survey measures several indices: leadership, team efficiency, engagement and the Net Promoter Score. In addition, all countries have the option to add extra and specific questions to capture any local conditions that need special attention. Our results

EMPLOYEES PER GEOGRAPHICAL SEGMENT

Segment	Number of employees	Of which men, %
Continental Europe	1,570	77
Nordics and UK	1,089	80
North America	146	77
Corporate	16	56
Total	2,821	78

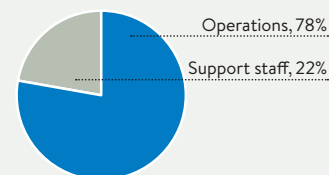
AGE DISTRIBUTION

Age	%
< 40	49
41–45	16
46–50	16
51–60	16
61–65	2
> 65	1
Total	100

EMPLOYEE STATISTICS

	2015	2014	2013
Work attendance, %	97.9	96.9	95.3
Employee turnover rate, %	20.2	20.4	20.5
Average number of employees ¹⁾	2,821	2,912	2,743
Of which men, %	78	79	80

RATIO OF OPERATIONS AND SUPPORT STAFF





89%

Employee satisfaction index (ESI).

79%

Engagement index.

are consistently above industry benchmarks.

The Leadership Index (LSI) improved in 2015 and is now close to our benchmark target. Especially notable is the great improvement in the number of teams who rank their leaders as good or excellent, increasing from 52 to 61 percent.

The Employee Satisfaction Index (ESI) also went up during last year and is now above the benchmark for the Group. In addition, engagement, measured as clarity and energy, is stable or improving for all countries. However, there is considerable variation in outcomes and trends among the countries. In fact, many countries are showing great improvement according to this index.

REDUCING INCIDENTS

We take care of our employees. We continuously follow up on the sick-leave rate in each country. Work-related injuries are monitored through monthly reporting. We work in dangerous environments and accidents do happen. But we employ all precautions available to minimise them.

During 2015, a total of 98 work-related injuries were reported across the Polygon Group. We conduct continuous health and safety training of all our staff. Particularly relevant to our business are

protective gear and clothing and air filtration to avoid exposure to harmful substances. We also take care to prevent the spread of microbes and potentially dangerous particles to the outside environment. This is achieved by using appropriate air filtration when cleaning a site.

DEVELOPING TALENT

Our ambition is to make people grow. We want our employees to fulfil themselves. As individuals. As team members. And as professionals. Through local and centrally geared training programmes, we help them improve their skills. And prepare them to take on more challenging tasks. This is very important to securing sustainable business growth.

These programmes are an integral part of our initiatives to implement the Polygon model in all our operations. During 2015, our efforts focused on getting back to business and making sure everyone understands their role in our company. Clearly understanding your role today makes it much easier to set targets for development. Launching tomorrow's Polygon is a multistage rocket. We have lift-off, but still a long way to go. But we are getting there, no doubt.

EMPLOYEE SATISFACTION

Employee satisfaction	2015	2014	2013
Response rate,%	92	93	90
Employee satisfaction index (ESI)	89	87	81
Leadership index (LSI)	73	71	69
Engagement index	79	78	75



No time to lose

In October last year, the 110 metre-long gas tanker Lotus had a collision just off the Belgian coast. The vessel was immediately brought into the Port of Antwerp for inspection. Time was of the essence. To have any chance of reaching its final destination on time, the Lotus would have to leave port within four hours. In other words: an already difficult job also turned into a frenetic race against time.

Enter Polygon: Two experienced Polygon engineers were immediately summoned to the port to check the vessel's heating, water, sanitation and sewage systems. Their job was to ensure that no leaks had arisen as a result of the collision. Together with the vessel's Safety Officer, the engineers performed an on-board inspection and studied the blueprints for the pipework. There was no time to lose in getting down to business.

With the help of endoscopy and a coloured-water solution, pressure measurements were performed in all pipelines and discharge pipes. Thanks to endoscopic technology it was also possible to inspect all lines between the inner and outer parts of the vessel.

Just as time was about to run out, Polygon's engineers were able to complete their assignment. They were happy to confirm that all inlet and outlet pipes were intact. The Lotus was able to leave the port and sail onwards to new destinations on schedule. Our two Polygon engineers could take a well-earned breather before getting down to the next job.

Our responsibility

At Polygon, responsibility is dear to our hearts. Our core business is restoring damaged property. We reduce the need to replace inventory and equipment. We limit the disposal of waste to landfill. From the outside perspective, we contribute to a better environment. To match this, we have established a Group-wide internal governance framework to clarify our responsibility in relation to our customers and manage our risks in a professional way as leaders of our industry.

RESPONSIBILITY IN ACTION

Our approach to governance is systematic. It is symbolised by our wheel of responsibility that represents our foundation and the first important step in our dedication to governance. It consists of six jigsaw pieces that are linked together:

- Code of Conduct
- Anti-corruption & anti-trust guidelines
- E-Learning Module
- Integrity Line
- Gift Register
- Values Game

This framework sets the standards for our entire Group when it comes to our responsibility. Therefore we call it Our Responsibility. There is, of course, room for local adjustments when necessary. But in general terms it provides a unified approach for all Polygon companies and employees. Implementation is underway and 2016 will be dedicated to this process. To us, governance is not about paperwork. It is all about practicing as we preach.

COMMUNICATING OUR CODE OF CONDUCT

Our Code of Conduct clearly explains what is appropriate conduct in our interactions with customers, colleagues, subcontractors and other stakeholders. Integrity is one of Polygon's core values. Our customers should feel confident that we are acting in their best interests to fulfil their requirements. It is also important that our subcontractors are fully aware of and compliant with our Code of Conduct because they are working under our brand.

The first step in the process is establishing our Code of Conduct internally. It is distributed to all employees in their native language. It is also part of our introduction programme for new employees. Understanding and acceptance is followed up in the annual employee survey.

A SET OF CLEAR GUIDELINES

In parallel with our Code of Conduct, we have established and launched our corporate guidelines within the anti-corruption and anti-trust areas. These

guidelines provide the foundation for how we should work in a business ethical way. As legislation in these areas varies from country to country, each and every national Polygon company has to make necessary local adjustments. The implementation is working according to plan and the local companies get the support they need to execute the process in a systematic way.

We have developed a web-based tool to facilitate employee understanding and conduct according to our guidelines. It provides a platform for training all employees in compliance and appropriate conduct when interacting in the market. The Values Game provides an opportunity for our employees to discuss various aspects of our values in an entertaining and interesting way. The game is available in all our local languages and because it is based on group discussions, it is a way to develop team spirit.

Our Gift Register includes rules for client entertainment, arranging or participating in conferences, business lunches and dinners, etc., which vary a

lot between countries. We always want to be on the right side of the line but are, of course, adapting our conduct to customary and acceptable local rules.

INTEGRITY IN PRACTICE

Establishing our Code of Conduct is one thing. Monitoring compliance and ensuring effective implementation is another. Towards that end, an Integrity Line is being introduced country by country.

The Integrity Line allows employees to anonymously report any concerns regarding breaches of ethics policy. This on-line whistleblowing function demonstrates our serious ambitions when it comes to our responsibility.

LEAD THE INDUSTRY

Our dedicated efforts to implement ethical business practices is part of our ambition to lead our industry. Setting

standards high may mean that we might lose some business short-term. But we are absolutely convinced that it will pay off in the long run. As the front-runner we have to lead by example. Both as a company and through each and every employee in our interactions with our stakeholders. That is why we call it Our Responsibility.



Anti-corruption traffic light

- To offer or grant any benefit to a public official (except for a business meal)
- To offer or grant any benefit, which any normal person would view as influencing or rewarding another person for any improper behaviour
- To accept any benefit which any normal person would view as influencing or rewarding you for any improper behaviour
- To offer, grant or accept any cash or cash equivalents
- To offer, grant or accept any benefit with a sexual or immoral nature
- To ask a business partner for a personal benefit
- To involve a third party (for example, an agent or consultant) to avoid a direct involvement in corruptive practices

- To invite a business partner (e.g. loss adjuster, agent, insurance representative, sub-contractor, representative of a customer) to a business meal or to offer or grant another benefit, if the cost exceeds:
 - €50 per person, unless approved by your manager;
 - €100 per person, unless approved by the Country President; and
 - €200 per person, unless approved by the Compliance Officer
- To invite a public official to a business meal if the cost exceeds €25 per person, unless approved by the Compliance Officer
- To offer, grant or accept a benefit during ongoing or upcoming negotiations (except for the invitation to a normal business meal), unless approved by the Compliance Officer

- To invite a business partner (e.g. loss adjuster, agent, insurance representative, sub-contractor, representative of a customer) to a business meal or to offer or grant another benefit, if:
 - the value is below €50 per person; and
 - the benefit is not connected, and does not appear to others to be connected, with influencing or rewarding another person for any improper behaviour; and
 - the benefit meets local customs and business practice and is socially acceptable
- To give or accept common sales promotion items (like calendars, simple appointment books, mouse pads, coffee mugs, pens)

Never permitted

Not permitted unless approved

Subject to the above mentioned restrictions, permitted

Always By Your Side.

Measure for progress

Polygon's business is local and decentralised by nature. Our financial model is designed accordingly. It is simple to use and understand. And it measures only a few but essential parameters. That way, those responsible for profit and loss can easily get a grip on actual performance. They are also able to make appropriate business corrections when necessary.



EVERY UNIT IS A PROFIT CENTRE

Polygon has around 300 depots all over the world. Depending on size, a depot is its own profit centre or forms one jointly with other depots. This unit constitutes the lowest level of accountability in the organization, for profit and loss in Polygon's financial model. Polygon unit managers can easily supervise and control the performance of their unit or area of accountability. They control the specific income and costs related to the unit. This clear structure and clear responsibility makes it easy to manage profit and loss. Reports are produced on a monthly basis and the information is easy to access. All measurements correspond to a plan or the budget. They are also compared with last year's performance. This way, unit managers get a clear overview of their results. They also get an understanding of what drives their performance so that they can act accordingly. The clear structure defined in the simple organisation is also helping the unit managers to compare their performance with their peers as well as implement best practice in different areas.



POLYGON'S FINANCIAL MODEL

Polygon's profit and loss is function-based and divides the costs into sales and direct costs which are linked to the performance of every individual project, which together gives the gross margin.

Direct costs vary with volume. Indirect costs reflect the structure and are fixed. These expenses, such as IT, salaries for unit managers and HR, do not vary with volume. An increase in business volume will reduce the impact of indirect costs (%) and thus positively affect profitability.

92%

Our goal is to have at least 95 percent satisfied end customers. We are currently at a level above 92 percent and the trend continues to be positive.

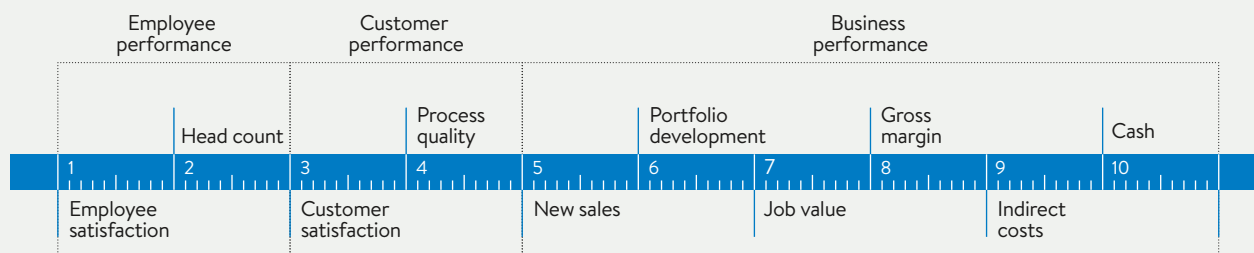
438.7

Sales 2015: EUR 438.7 M. Sales 2014: EUR 419.1 M.

20.1

EBITA before NRI 2015: EUR 20.1 M. 2014: EUR 11.8 M.

MEASURE FOR PROGRESS



EMPLOYEE PERFORMANCE INDICATORS

Head count is a simple measurement of employee retention and internal efficiency. Personnel costs represents the largest costs in Polygon.

Employee satisfaction is followed up through comprehensive employee surveys on an annual basis. Read more about it on page 33.

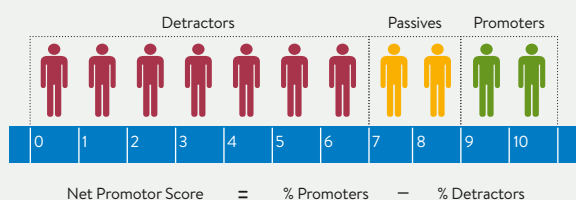
CUSTOMER PERFORMANCE INDICATORS

Hard figures are important. But it is necessary to combine financial data with other qualitative information. This brings critical input to our standard of performance.

Customer satisfaction measures how satisfied our customers are with the work we perform and how we interact with them.

Process quality refers to the level of credit notes. This is a clear indication of the effectiveness of our approach to working with customers.

CUSTOMER SATISFACTION



Net promoter score (NPS) is the percentage of promoters minus the percentage of detractors multiplied by 100. The NPS can range from -100 to +100. Any score above zero is considered favourable and an NPS of more than 50 is excellent. Polygon's NPS increased from 38 in 2014 to 42 in 2015.

BUSINESS PERFORMANCE INDICATORS

These indicators constitute hard figures. They provide a barometric reading of how well we are performing in the prevailing business climate.

New sales is a measurement of our sales performance. This includes bringing in new customers, expanding into new areas and the effectiveness of our sales force.

Portfolio development is about keeping track of our organic growth and how well we perform with existing customers. We monitor that the trend is going in the right direction and our development of market share among main customers.

Job value monitors the average value of a single job. This includes factors such as price development, sales of additional services and the avoidance of revenue leakage.

Gross margin is the sum of the income and costs spent on project/jobs and measures the efficiency and profitability of our service delivery.

Indirect cost finally, is a measurement of the efficiency of our support functions in delivering services such as invoicing, HR, etc. From the lowest profit-and-loss level up to Group level.

Cash is the simplified way of looking at our balance sheet with a focus on receivables. This takes into account the number of outstanding sales days. Responsibility lies entirely with local profit units.

Financials in brief 2015

- Sales increased by 4.7 percent compared to the same period of last year. Organic growth excluding the effects of two acquisitions, FX changes and the closure of PDR activity in the US was 4.0 percent.
- Operating profit before amortisation and non-recurring items (EBITA before NRI) amounted to EUR 20.1 million (11.8). The increase in profit is attributable to leverage on associated sales growth, cost reductions from restructuring in Germany and the US and optimisation programs. The gross margin was negatively affected by reduced WDR activity due to the lack of flood and other weather events. In total, 11 out of 13 countries improved their results compared to last year.
- The country presidents in Germany and the US were replaced during the second quarter, when both countries also initiated restructuring programmes. The Group Management team at Polygon's head office in Stockholm has been reduced from five to three members. Restructuring charges, mainly attributable to Germany and the US, and write-down of IT systems amounted to EUR 7.6 million (7.1).
- Cash flow improved as a result of the improved profitability. Net debt was reduced by EUR 5.6 million.
- Luc Henriks was appointed Chairman of the Polygon board in Q1. Lars-Ove Håkansson and Petter Darin were elected as board members during Q3. Ole Skov also joined the board in Q1 2016.

FINANCIAL YEAR 2015

EUR million	Full year	
	2015	2014
Sales	438.7	419.1
EBITDA	21.8	13.4
EBITA	12.5	4.7
EBITA %	2.8	1.1
EBITA before NRI	20.1	11.8
EBITA before NRI %	4.6	2.8
Cash flow from operating activities	25.5	10.0
Net debt	96.2	101.8
Full time employees	2,765	2,840

SALES PER GEOGRAPHICAL SEGMENT

EUR million	2015	2014
Sales of services		
Nordic & UK	137.7	133.2
Continental Europe	266.9	248.1
North America	34.1	38.0
Intercompany sales	-0.1	-0.2
Total	438.7	419.1

CONSOLIDATED INCOME STATEMENT

EUR million	2015	2014
Sales of services	438.7	419.1
Cost of sales	-333.7	-319.5
Gross profit	105.0	99.6
Selling and distribution costs	-89.3	-92.4
Other operating income	-0.1	1.8
Other operating costs	-8.6	-10.1
Operating profit	7.0	-1.1
Financial income	0.4	0.2
Financial expenses	-7.2	-11.8
Profit before tax	0.2	-12.6
Income taxes	0.0	2.1
Profit for the period	0.2	-10.5

BALANCE SHEET IN SUMMARY

EUR million	31 Dec 2015	31 Dec 2014
Intangible fixed assets ¹⁾	152.4	156.4
Tangible fixed assets	27.2	27.1
Financial assets	22.3	22.8
Current assets	88.8	91.0
Cash and bank balances	26.5	21.5
Total assets	317.2	318.8
Total equity	42.3	42.4
<i>Non-current liabilities</i>		
Shareholder loan	57.7	57.8
Non-current liabilities ²⁾	144.8	147.4
Current liabilities	72.4	71.2
Total equity and liabilities	317.2	318.8
Net debt (excluding shareholder loans)	96.2	101.8
Equity/assets ratio including shareholder loans as equity	31.5%	31.4%
¹⁾ Of which goodwill	104.9	102.6
²⁾ Of which interest-bearing liabilities	177.8	177.9

CONSOLIDATED STATEMENT OF CASH FLOW

EUR thousands	2015	2014
Operating activities		
Earnings before interest and taxes	6,975	-1,097
Adjustments for non-cash items before tax	17,263	15,319
Financial income received	361	238
Income tax paid	-1,058	-1,453
Cash flow from operating activities before changes in working capital	23,541	13,007
Cash flow from changes in working capital	1,991	-3,033
Cash flow from operating activities	25,532	9,974
Investing activities		
Acquisition of subsidiary, net of cash acquired	-987	-524
Purchase of tangible and intangible assets	-10,740	-11,876
Sale of non-current assets	127	467
Cash flow used in investing activities	-11,600	-11,933
Cash flow from financing activities		
Net changes in borrowings	-	16,037
Dividend to non-controlling interests	-227	-66
Financial expenses paid	-7,612	-7,697
Net cash flow from financing activities	-7,839	8,274
Cash flow for the period	6,093	6,315
Cash and cash equivalents, opening balance	21,509	15,789
Translation difference in cash and cash equivalents	-1,073	-595
Cash and cash equivalents, closing balance	26,529	21,509

Medium-term ambition

8%

EBITA margin

EUR million

500

Revenues

Group Management



JONAS GRANATH

Chief Operating Officer

Born in 1976

Joined Polygon: 2014

Background: Senior positions at IL Recycling Poland, Swedish Trade Council

Education: M.Sc. Economics and Business Administration from Stockholm School of Economics & University of St. Gallen

ERIK-JAN JANSEN

President and CEO

Born in 1965

Joined Polygon: 2014

Background: COO Europe, Securitas Group, several international assignments in the hotel industry

Education: B.Sc. Business Administration from the Hotel Management School in Maastricht, Netherlands

MATS NORBERG

Chief Financial Officer

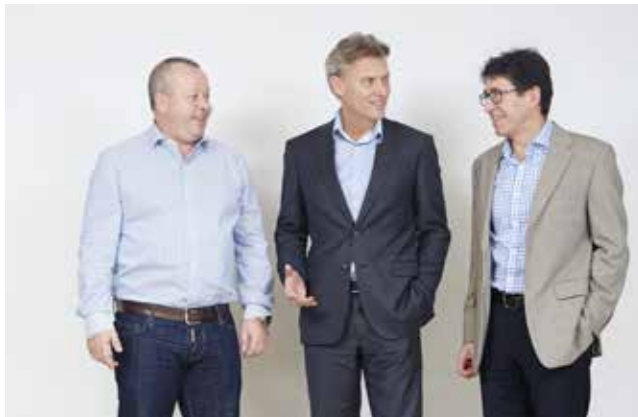
Born in 1959

Joined Polygon: 2013

Background: CFO for the Nordics, Baltics and Switzerland at Dahl International/ Saint Gobain, CFO at Aftonbladet

Education: M.Sc. Business Administration from Uppsala University

Country Presidents



ANDREAS WEBER
Germany

ERIK-JAN JANSEN
Group

JEREMY SYKES
United Kingdom



PETER HAUGAARD
Denmark

JULIEN MEYNIEL
France



HERMANNI RAJAMÄKI
Finland

FABIO BERNARDO
Canada



CARLA SLAETS
Belgium

MATS NORBERG
Group

**MARLIES VAN
DER MEULEN**
Netherlands



KAI ANDERSEN
Norway

JONAS GRANATH
Group

CHRISTIAN KOHL
Austria



MARK MURPHY
North America

THOMAS PERMAN
Sweden

Board of Directors



LUC HENDRIKS

Chairman of the Board

Board member since 2015

Nationality: Dutch

Senior industry expert, West Park Management Services

Other board roles: Europart and Papyrus

Background: Senior industry expert at Triton, executive director of Brambles, executive positions at General Electric



JONAS SAMUELSON

Board member

Board member since 2010

Nationality: Swedish

Background: Currently, president and CEO of Electrolux, former CFO of Munters



LARS-OVE HÅKANSSON

Board member

Board member since 2015

Nationality: Swedish

Background: Currently, various board positions, former CEO of Skanska



PETTER DARIN

Board member

Board member since 2015

Nationality: Swedish

Background: Currently, investment advisory professional, Triton Advisers (Sweden) AB, former investment banker at UBS



OLE SKOV

Board member

Board member since 2015

Nationality: Danish

Background: Currently, independent investor, formerly managing partner, Accenture Financial Services and management consultant, McKinsey & Co.

HEAD OFFICE

Polygon International AB
Sveavägen 9, 3rd floor | 111 57 Stockholm, Sweden
info@polygongroup.com
www.polygongroup.com

AUSTRIA

IZ-NÖ-Süd, Ricoweg – Objekt M37, 2351 Wr. Neudorf,
Austria
Tel: +43 50-6142-20
anfrage.at@polygongroup.com
www.polygongroup.com/at

BELGIUM

Moerelei 127, B-2610 Wilrijk, Belgium
Tel: +32 3 451 35 90
sos@polygongroup.com
www.polygongroup.com/be (Flemish)
www.polygongroup.com/be-fr/ (French)

CANADA

4565 Metropolitain Est, Montréal Qc H1R 1Z4, Canada
Tel: 1-514-326-0555
ca_info@polygongroup.com
www.polygongroup.com/ca
www.polygongroup.com/ca-en/

DENMARK

Rypevang 5, 3450 Allerød, Denmark
Tel: +45 48 13 13 53
www.polygongroup.com/dk

FINLAND

Lyhtytie 22, 00741 Helsinki, Finland
Tel: +358 20 7484 02
finland@polygongroup.com
www.polygongroup.com/fi

FRANCE

Carré d'Ivry, Bâtiment H, 26, rue Robert Witzchitz,
94200 Ivry-sur-Seine, France
Tél: +33 1 46 81 87 97
contact.fr@polygongroup.com
www.polygongroup.com/fr

GERMANY

Raiffeisenstraße 25, 57462 Olpe, Germany
Tel: +49 2761 93810
service@polygonvatro.de
www.polygongroup.com/de

NETHERLANDS

J. Keplerweg 4, 2408 AC Alphen aan den Rijn, Netherlands
Tel: +31 (0) 88 500 35 00
nederland@polygongroup.com
www.polygongroup.com/nl

NORWAY

Enebakkveien 307, N-1188, Oslo, Norway
Tel: +47 22 28 31 10
firmapost@polygongroup.com
www.polygongroup.com/no

SINGAPORE

48 Mactaggart Road, #07-02 MAE Industrial Building,
Singapore 368088
Tel: +65 6744 1870
singapore@polygongroup.com
www.polygongroup.com/sg

SWEDEN

Hemvärnsgatan 15 (Box 1227) 171 23 Solna, Sweden
Tel: +46 8 750 33 00
sverige@polygongroup.com
www.polygongroup.com/se

UNITED KINGDOM

Blackstone Road, Huntingdon, Cambridgeshire, PE29 6EE,
United Kingdom
Tel: +44 1480 442327
uk_sales@polygongroup.com
www.polygongroup.com/uk

USA

15 Sharpner's Pond Road, Building F, North Andover,
MA 01845, USA
Tel: 1-800-422-6379
us_info@polygongroup.com
www.polygongroup.com/us

Polygon International AB
Sveavägen 9, 3tr | 111 57 Stockholm, Sweden
info@polygongroup.com
www.polygongroup.com

