



SOCIAL RESPONSIBILITY REPORT 2007-2008

In the following the “BIOPROTECT” Company shall present the first Social Responsibility Report for 2007 and 2008 since the adherence to the Global Compact Network, through which we present our actions oriented towards the promotion of Human Rights observance, promotion of Labor Standards, improving community life and the environment as well as other promotion actions focused on the cultural values within the young generation environment.



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MESSAGE FROM COMPANY CEO

Starting with November 26, 2006 the Company „BIOPROTECT” has become a member of the Global Compact Local Network and subscribed to the general purpose of promoting the Corporate Social Responsibility for the integration and dissemination of the ten principles categorized by four fields: Human Rights, Labor Standards, Environmental Protection and Fight against Corruption.

The Company adherence to this initiative envisaged that “BIOPROTECT” would follow to systematize and strengthen the general parameters within which it was carrying out the entire activity.

We are aware of the fact that the adherence to this initiative implies not only the subscription to the observance of some fundamental principles of the Global Compact, but also to the assimilation of a value with significant importance and that is the development of an attitude. Namely creating an attitude shall allow us to extend the duration and impact of the actions undertaken by all the members of the Global Impact Network and, of course, by all the members of the society.

Acknowledging the fact that the progress of a company is established through transparency and honesty in all its actions that have an impact on the community and environment, “BIOPROTECT” is undertaking and maintains the commitment to hold a responsible attitude towards the employees of the Company and towards the members of the entire society while observing the financial, social and environmental protection commitments.

In our conviction that social responsibility is a natural element in the development strategy of private companies in the context of globalization and rhythms brought by the XXI century, we wish ourselves to share these values and make sure that Company employees, clients, the citizens and the environment will benefit from our modest tendency to observe the 10 principles of the UN Global Compact initiative.

Through our actions, described in the hereby report, we wish to contribute to the implementation of some sound principles that would have as a result the development of positive attitudes in everything that stands in our ability to do for the society and the environment. Thus, we can participate in creating a better and beautiful world for the present and future generations.

October 1, 2008,

Valeriu Strelets,

CEO “BIOPROTECT” Ltd

During 2007 and 2008, the Company “BIOPROTECT” has been contributing to the support and development of 28 social projects, of which 20 are oriented towards the improvement of community life, promotion of human rights observance and improvement of labor standards; the rest of the projects have been oriented towards the development of the cultural and educational field and the improvement of the environment and health.



“BIOPROTECT” undertakes the obligation

- 1. to support and respect the protection of internationally acclaimed human rights***
- 2. to make sure that they are not complicit in human rights abuses***

The commitment of human rights observance represents a concept through which a company adopts policies in order to comply with internationally recognized standards. This offers companies a conduct model in regards to the respect and fairness towards the employees, as well as the solutions to problems related to labor security, equality of opportunities for employees at promotion, etc..

- In our conviction that Company employees are the key to its success, we make all the efforts to ensure equal conditions for the 28 employees who benefit from just treatment, remuneration in accordance with the activity field and financial rewards based on accomplishments (*Article 23, The Universal Declaration of Human Rights*).

“BIOPROTECT” is carrying out its activities based on several fundamental principles:

- Ø We consider that people should work based on their desire to work or from necessity and not because they are forced to do so.
- Ø We recognize, respect and accept cultural differences. The working place we offer is merit based, that is why our goal is to attract, qualify, promote and retain people based on their abilities. We do not tolerate, under any circumstance, discrimination or harassment.

- Ø We ensure that the remuneration complies or surpasses the minimum provided by the law and is competitive with the standards of our activity field.
- Ø We recognize and respect employee freedom to associate or not at other institutions legally authorized.

“BIOPROTECT” does not tolerate manifestations of discriminatory attitudes within the enterprise nor towards the Clients of the Company, which are the expression of the services that we offer. These benefit from equal and respectful treatment from the entire personnel involved in the servicing process that acts according to the internal regulations and Code of Conduct (*The Regulations regarding the activity of the Agricultural Store of May 27, 2008; The Regulations regarding the release of the merchandise from the Storehouse department of May 28, 2008*). Thus, as a result of these short internal trainings, in 2008 no claims or notices have been recorded from our clients, which make us believe there is always place for continuous improvement.

- PARTNERSHIP PROJECTS-

The Company supports the actions of social partners the primary goal of whom is to involve in the problems of the society, in charity and welfare actions and development of social assistance projects, in order to prevent the violation of the Universal Declaration of Human Rights (*adopted by the United Nations General Assembly of 10 December, 1948*).

Together with the Association for Education «NEOUMANIST” (www.neohumanist.org), the Company has participated in the fundraising for the organization of a Happy Easter for elderly persons from Centers „Rasarit” and „Spectru” and who do not have the possibility of feeling the spirit of the holy celebration within the family circle.



The 50 beneficiaries of the Centers „Rasarit” and „Spectru” had the possibility of enjoying traditional dishes on the Easter table (one Easter cake and two red eggs for each). Thus, the Company promotes tolerance and participates in charity and welfare acts ensuring the citizens with equal rights within the society.

- We also participated in the charity Campaign organized by the Student Council of the Faculty for International Economic Relations (SCFIER) of the Academy for Economic Studies (AES) - „A happy Easter for orphans”, for the children from the Falesti boarding school.

„BIOPROTECT” together with such Companies like „Neocomputers”, „Intertext”, „Supraten”, „Tatra-bis” and MCS, and with the support of the AES students, during the Holy Easter Celebrations have expressed care and compassion towards the orphan children from Falesti. The allotted funds have been used to purchase sweets, sports equipment, towels, A4 format paper, bags and ribbons. Thus, the children from the Orphanages located in the towns of Falesti and Edinet have received unforgettable and long-desired presents with the occasion of the Holy Easter Celebration.

Through joint efforts, 130 orphan children from the town of Falesti have benefited from donations and emotional support, fact which didn't only improve the existent situation of the children, but also allowed them to identify themselves as an integrated part of the society. Stimulating thus the society care towards the growing generation, this action has served as a good example to be followed also by other companies and institutions.

- The Company is a supporter of the postulate „education should pursue the full development of the human personality (*Article 26, the Universal Declaration of Human Rights*). Following this order of ideas we decided to contribute to the organization of students of the State University of Moldova in order to attend the International Conference on Chemistry, Chemical Technology and Environmental Protection – „Students for students”, the V edition, held at Cluj-Napoca, Romania, 17-20 of April, 2008.

The 15 participant students from the State University have had the possibility not only to widen their range of knowledge within the Conference, but also to receive merit rewards for active participation in the Conference works. Also, a major importance has had the experience exchange with the colleagues from the „BABES BOLYAI” University of Cluj-Napoca, which motivated Moldovan students to develop some new projects and technologies to improve the efficiency of environmental protection.

- Together with the National Association of Young Managers from Moldova, members of the Global Compact Network in Moldova, “BIOPROTECT” participates in sustaining the business plan within the National Contest of Business Plans for Young People, 2008, through offering a financial prize. Through the decision of the jury members (members of the Global Compact from Moldova) the winning business plan was declared - „BIODISEL”, presented by Cimbriciuc Rodion.

This action of sustaining and investing in the young generation has had as a result the appreciation of innovatory ideas, increasing the chances of developing and launching a new competitive product on the market of the Republic of Moldova.



“BIOPROTECT” undertakes the responsibility to support

3. the freedom of association

4. the elimination of all forms of forced and compulsory labor

5. the effective abolition of child labor

6. the elimination of discrimination in respect of employment and occupation

The Company management has manifested openness and the initiative for the Company employees to associate in groups through affiliation to syndicates. (*Article 20, the Universal Declaration of Human Rights*). For the moment only 3 persons out of the 28 employees have manifested initiative. Thus, the creation of syndicates within “BIOPROTECT” is in process.

- The employees activate within the Company according to the terms specified in the employment contract, and the work carried off-hours is remunerated under the form of bonuses to the salary or under the 13th salary. The employee contracts contain stipulations regarding the position, conditions, terms and the manner of voluntary employment within the organization.
- The Company has developed regulations of internal conduct for each of the company departments (Consulting Department, Agricultural Store, and Storehouse Department) regarding the working modality, norms of conduct, dress code and communication with clients. (*The Regulation regarding the activity of the Agricultural Store of May 27, 2008; Regulations regarding the release of the merchandise from the Storehouse department of May 28, 2008*).
- The Company assures the employees with the necessary protection equipment, observing closely the legal provisions of assuring with equipment the employees who work in noxious environments, as well as the possibility to assure fresh fruits and dairy products during the agricultural season. Nonetheless, the Company has considered necessary in the peak period of the agricultural season (spring / summer) for lunches to be delivered directly at the office for the employees (13 persons) involved in the client servicing process.
- The Company employees know how to work well and efficiently, but often this requires time and additional efforts over the working program. That is why, we use the organization of collective

gatherings in leisure areas together with employees' families to offer them the possibility of retrieving the time offered generously to the company. At the same time, we wish that the Company personnel would feel appreciated not only through proper financial remuneration, but also through the organization for them of national and international holidays and festivities on special dates (New Year, 8 of March etc.).

The motto of the European Social Model is “The ideal society is the society in which no one is excluded” (Alfred Pfaller, associate and international expert of the Friederich Ebert Stiftung organization). We want to contribute to the development of an ideal society and we consider that young people are our future, but these are accepted within the Company only if they reach the age of eighteen.

- While complying with these standards, the Company has however used the labor of young persons with the age of 16 years, but who were integrated into the labor field based on the employment contracts signed in mutual consent, through their participation in seasonal works for harvesting the agricultural yield.
- In the process of personnel selection and recruitment there are accepted persons with medium higher and higher education with the age above 18 years. In our attempt to combine the experience with the freshness of ideas, the staff of the company comprises 15 persons with the age between 18 and 30 years; 5 persons with the age between 30 and 40 years and 8 persons with the age between 40 and 67 years.

All these actions have had as a result the efficiency increase of the employee activity, improvement and cohesion of the working group, stopping the staff turnover and the creation of a favorable image of the company. If in 2006 the Company was confronting the dismissal problems due to various reasons (7 persons during the year), then in 2008 no dismissal has been recorded, on the contrary, 7 more new persons have been employed.

The care we manifest towards our employees is also confirmed by the fact that as a result of the mandatory annual medical examination no health condition problems have been found in the employees who activate in noxious labor conditions, while they feel protected and citizens with full rights.

- PARTNERSHIP RPROJECTS -

- An important project at which the “BIOPROTECT” Company has also participated was the action initiated by the International Program on the Elimination of Child Labor (IPECL) of the International Labor Organization (ILO) regarding the deployment of the actions for combating child labor in the agricultural sector of the Republic of Moldova.

At the initiative of the ILO-IPECL Program Assistant, Oxana Lipcanu, the “BIOPROTECT” Company has financed the purchase of two digital cameras Canon PS A450 and two Micro SD cards that were sent to the Labor Inspection to be used in the documentation of child labor cases.



Thus, from the total of 38 companies inspected in Chisinau and Orhei, in 18 economic units there has been found the involvement in labor of 186 minors, among which also a child of 14 years who was working as a waterside worker for an individual. Also, there have been stated cases of violation of legislative and normative provisions regarding the field of labor.

As a result of the violations found by labor inspectors, following the carried out inquiries there have been drawn-up 14 minutes regarding the administrative contraventions based on the article 41 paragraph (2), Code of Administrative Contraventions (CCA) *(the violation by persons with liability positions of the labor legislation and normative acts regarding labor protection, actions committed against minors)* and control minutes, where prescription terms have been offered for the removal of inconsistencies. For the violation of the set terms and non-removal of the stated inconsistencies there have been applied fines making up 32.9 thousand MDL.

The monitorisation of labor of the persons younger than 18 years is still in the focus of Labor Inspection for bringing companies to compliance with the provisions of the labor legislation and raising a healthy generation.

- The Company does not discriminate by ethnicity, religion, sex, language, political views, national or social origins (***Article 2, the Universal Declaration of Human Rights***) among persons participating in the recruitment process and employs only the persons most qualified for the vacant position. In the recruitment process the documents that certify the studies of the candidates are studied, the field knowledge is evaluated and the general characteristics and psychological features of the candidate are stated.

The Company is proud of the fact that its' 28 employees combine harmoniously the ethnic diversity (Moldavians, Bulgarians, Ukrainians), the spoken language (Romanian language, Russian and Bulgarian) and the share of genders (men - 20 and women 8). These have a positive impact upon the creation of a

comfortable and productive working environment, which confirms the fact that unity can be reached through diversity.

- Within the Company there have been accepted students from the Agricultural University for internships, and the persons that have manifested themselves more actively have been employed as agronomist-consultants. Also, in the recruitment process for discussion are invited the students with outstanding accomplishments. As a consequence, there have been offered working places for 2 young graduates of the Agricultural University of Moldova, who come to implement in practice their fresh knowledge from the agricultural field. These are given time, necessary conditions and materials in order to involve incrementally in the activity of the Company.

Presently in the Company are working 6 young specialists in agronomy, of which 2 have graduated the Agricultural University this year, and 4 others have contributed to the development and current functioning of the Agricultural Store “BIOPROTECT”, that activates beside the headquarters of the Company.



“BIOPROTECT” undertakes the obligation

7. to support a precautionary approach to environmental challenges

8. to undertake initiatives to promote greater environmental responsibility

9. to encourage the development and diffusion of environmentally friendly technologies

The Company management considers each member of the society able of undertaking actions that would make the city we live in more green and clean, and each organization has to take important steps to improve the impact on the environment.

- A first step in this regard is to make green the area in the immediate proximity of the Company headquarters through planting trees (linden tree, willow trees) and flowers.
- Eloquent in this regard is the consolidation of some partnerships of environmental protection in order to amplify the involvement effect of the entire society in the process of expanding the green sites and protection of the environment. In the context, the employees of “BIOPROTECT” (5 persons) have participated together with other 12 member companies of the Global Compact Network from

Moldova in the action of expanding the green sites to the leisure areas from the city – „THE GREEN DAY – BECAUSE WE CARE”- in the public garden from Botanica sector of Chisinau, carried out on the date of April 12, 2008. Besides the human contribution „BIPROTECT” has also offered the necessary tools (*26 shovels, 42 rakes and 108 pairs of gloves*) for the execution of works of cleaning and digging around the trees.

The initiative to organize this event represented a good example of social partnership, through which “BIOPROTECT” together with other member companies have decided to manifest their attitude and responsibility for the protection of the environment.

The Company is aware of the effects that the phytosanitary products have on the environment, and as such, we are trying to identify opportunities of developing new products and new production technologies with decreased impact upon the environment.

- One of the primary objectives specific to the activity of the Company is selecting products of the last generation, with decreased toxicity and high selectivity. These are stored according to the general norms of storing means of phytosanitary use (*The Regulations regarding the management of products of phytosanitary use and fertilizers in the national economy, approved by the Ministry of Agriculture and Food Industry and the Ministry of Health and Social Protection*) in order to prevent affecting in any way the environment.
- The products are stored in conformity with the internal regulations of products storing and with the general norms of storing products of phytosanitary use and fertilizers which provide their storage in special rooms assured with ventilation systems.
- All the products are provided with labels containing information about the general protection measures. Each costumer is trained accordingly regarding the impact of the products upon the environment. The Company is keeping strict screening of the production stocks in order to avoid losses or leaks of active substances.
- At the same time the Company is in constant search of biologically and ecologically harmless objectives, and in the process of setting relations with the manufacturers the focus is placed on the ones that offer efficient products. Our major objective envisages the development and strengthening the living systems that go through the biological cycles, their promotion and diversification within the agricultural systems, and respecting the microorganisms, soil flora and fauna.

As a result, the use of the products of the company does not record a negative impact upon the environment, due to the decreased toxicity and high selectivity, and as an outcome of their use, the quantity and quality of the acquired yield is in constant increase.

We can also state that from the moment of adherence to the Global Compact and till the present cases of intoxication have been found with products of phytosanitary use both of the population as well as the useful fauna.



“BIOPROTECT” undertakes the responsibility

10. to work against all forms of corruption, including extortion and bribery

The Company is a supporter of the concept of diminishing the corruption in the Republic of Moldova and of the principle that the transparency in the activity of the public institutions, prevention of corruption in the public administration and business environment shall have only beneficial effects upon the sustainable development of the society.

- We subscribed to the National Campaign „You can stop corruption” (April, 2008 – February, 2009) organized by the Government of the Republic of Moldova, the Anti-corruption Alliance financed by the USA Government. We can approach this chapter with different illustrative materials placed in the Company precincts with conclusive messages towards all the actors of our activity.
- The Company strictly observes all the norms that regulate the delivery process of the merchandise towards the costumers and the issue of the entire set of documents such as waybills, including the check and cash voucher in case of cash payments. In the delivery context, the Company benefits from a high level of trust from the part of fiscal and revision institutions, through this excluding the possibility of bribery with intention to conceal any eventual inconsistencies. Also, the Company does not admit the inclusion in it's' stocks of merchandise of unknown or suspicious origin, and the merchandised products are accompanied by the full set of documents and certificates confirming their origin.

- VISION AND MISSION FOR THE FUTURE -

Our vision for the future envisages the development of values at the level of all the activities in which the Company is involving.

We tend and take the commitment to make all the efforts for the protection of the environment and the community.

We make efforts to set high standards, open and transparent communication in the service of sustainable development of our society.

Our commitment envisages the orientation of the entire activity towards the observance of the Global Compact principles in such a manner that we can integrate perfectly in the society and which is acceptable to all the members of the UN initiative.

We are aware that our current and future vision provides both a higher social responsibility towards the environment and society, as well as the dissemination of the CSR in the environment of our partners.

We are undertaking the commitment to observe and implement perfectly the 10 principles of the Global Compact.

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