

Global Compact

Annual Communication on Progress 2010.





List of content

	Page no.
1. Letter of the Managing Director	03
2. Introduction. Description of business	04
3. Policy: Mission, vision and values of the company	05
4. United Nations Global Compact principles	
• Human Rights	
○ Principle 1	10
○ Principle 2	19
• Labour	
○ Principle 3	26
○ Principle 4	34
○ Principle 5	40
○ Principle 6	44
• Environment	
○ Principle 7	51
○ Principle 8	55
○ Principle 9	61
• Anti-corruption	
○ Principle 10	67
Methodology	76



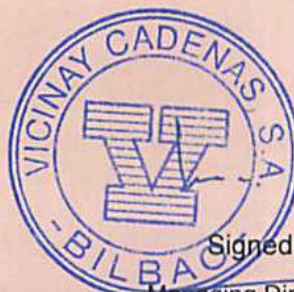
Letter from the management

To whom it may concern:

For Vicinay Cadenas personnel 2011 is a special year as it coincides with the 25th anniversary of our creation as a company within a family group that has its roots in the 18th century. This year we will submit our 3rd Progress Report to the Global Compact with the satisfaction of being able to say that the initiative we took in 2007 was the right decision and has allowed us to discover a world, which was then of only marginal importance for us. Within the world of Social Responsibility and Sustainability we are proud to state that we have made significant progress after having signed and worked to improve our business based on the 10 principles of Global Compact.

2010 was a year in which we made significant progress in the relationship we have with our stakeholders. This has enabled us to improve important aspects of our management. Development of people who work in the corporate project, a leadership review and furthering our commitment to transparency are three key factors that have brought about a new sensitivity in principles which we initially did not think affected our work performance.

It is for these reasons that we are satisfied, and able to communicate our determination to strengthen our commitment which we feel is now fully integrated into our corporate strategy.



Signed by Luis Cañada

Managing Director of Vicinay Cadenas
1st October 2011



The company

Introduction. Description of business

Vicinay Cadenas is a family owned company whose activity traces back to the mid eighteenth century and has grown into a modern organization.

On March 11, 1929 the company “Sons of Vicinay, Limited Partnership” was registered.

On January 2, 1986, Vicinay Cadenas, S.A. is founded.

We form part of the Vicinay Marine structure through which we share our business project.

What we do? We think, design, manufacture and give high-tech solutions and high added value mooring lines for the anchoring of floating systems in the Offshore Industry.

Web address: www.vicinaycadenas.com

Managing Director: Luís Cañada

Commitment Date: 31/07/2007

Industrial Sector: Metals & Mining

Interested parties: Customers, Employees, Shareholders, Investors, Suppliers, Local communities, Society, Government and Public Administrations, Environment, Mass Media and Unions.

Countries in which it is present: Vicinay Cadenas is present in Spain with two factories: Deusto and Galdames

Progress Report spreading inside the company: The progress report is shared through a work team sorted for a strategic project called Pegasus in which it is focused and managed the Social Responsibility together with the other organization implicated processes.

Submission date: 2010-10-27

Responsible: Tomás López

Report category: A



Philosophy

Policy

In the activity of design, manufacture and supply of products and services for the mooring of floating installations, Vicinay Cadenas' management undertakes:

- A special attention to the people integrated in this business project, permanently seeking to assure their safety, maintaining health and personal achievement on equal level.
- The achievement of clients' satisfaction and the highest economic viability of the company by means of responsibility and performance of the requirements requested by those who trust in our abilities and adapting to the coexistence.
- Generate an atmosphere of creativity aimed at the improvement of our productive activity as well as the materialization of all the solutions that the market could ask for.
- The social responsibility based on the integrity of its people and actions as an organization that focuses its efforts on the sustainability of its environment, improving everyday to become a reference amply recognized by its management.

Vicinay Cadenas complements and develops this policy communicating its Mission, Vision and Values in different documents that provide and enrich the culture and sensitivity of the Organization.



Philosophy

Mission

VCSA, in its vocation for being a world-reference, bases its Company Project on the following principles:

- In the conception, design, manufacture and supply of products and services with High Added Value, with innovation, health and safety, quality and environmental responsibility, adapted to the client and oriented mainly to the offshore industry.
- Developing its activity as a socially responsible “Glocal” Organization, based on the ability and “emotalent” of its people.
- Striving for competitiveness and benefit in order to benefit in turn its people, its shareholders, to the company itself, society at large and to the planet.
- Reliance on its Allies, Clients, Suppliers, Centres of Learning and the rest of identified interested parties.
- A worldwide projection from a local base in Bizkaia

Vision 2015

VCSA builds for the future:

- With the expectation and hope that our Company will be a meeting place for people and a place where people feel fulfilled through the achievement of our company’s objectives.
- Relying on a Human Team that knows how to take advantage of diversity and make the most of uncertainty in a dynamic world.
- With the hope of be recognized as one of the best companies in the world because of its results in all our fields of endeavour.



Values of the company

Philosophy	Respect	Treat other people the way we would like to be treated.
	Service	Respect the needs of the other stakeholders as I would like others to respect my needs, in accordance with the Mission, Values and Objectives of the Organization
	Share	Consider the Company Project as my own, sharing successes, failures, emotions and talent
	Safety	The right and personal responsibility to work in such a way as to avoid hurting other people and damaging infrastructure and the environment
	Innovation	Commitment to apply “emotalento” (the combination of emotion and talent) to find new ways of doing things and giving added value to our people and Organization and accepting the risk of failure



Values of the company

Philosophy	Given word	Recognize the value of the “Word” as a personal commitment
	Learning	Excitement and effort needed to keep our knowledge constantly up to date and to apply it to our Company Project.
	Membership	Pride to be in and with VCSA
	Responsibility	Active and continuous commitment with the Company, the society it which it is integrated, our spheres of interest and the planet on which we live
	Benefit	Contribute to the sustainability of the company, through obtaining benefits, in order to guarantee the employability of our personnel and the satisfaction of our shareholders and stakeholders

Human Rights





Principle 1

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



Human Rights

Principle 1

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

Diagnosis

Which are its risks as for Human rights? Of what way has them? Indicate the risks in the cabin of key word and indicate the aims to reduce them in the cabin of aims.

Implantation

Vicinay Cadenas, S.A. (VCSA) supports the protection of Human Rights in everything related to its own activity, and in relation with the groups of interest which have been previously identified.

Target

For this reason VCSA improves its processes and technical capability in a permanent search for the resources and work conditions necessary for a healthy and safe performance, which are also respectful with the Environment, based on the commitment and the creativity of everybody who shares and collaborates in the project.

Heath and Safety Management is a strategic aim for the company because though it is clear the improvement during the last years, there are risks no sufficiently under control. It extends to the groups of interest in the measure in which it can exercise influence, and always aligned with the corporate social responsibility

HSE scores 2010

- Frequency rate: 86.92 (16.33% improvement)
- Severity rate: 1.23 (10.22% improvement)
- Incidence: 118.28 (14.46% improvement)
- Penalties and fines = 0
- Neighbour's complains = 0
- Environmental impacts = 0
- Hazardous waste generated = <10.000 kg



Human Rights

Principle 1

Policy

Has the entity defined clearly and in written its policy, its values and procedures?

Response: Yes

Implantation

VCSA reviewed in January 2010 its Integrated Policy, considering it is valid and still offering reference and many possibilities for improvement. The Mission, Vision and Values of the organization have been equally reviewed. These documents have been circulated and explained to the different groups of interest.

Target

The implication and compromise of the maximum number of entities that collaborate with VCSA are required as these are considered the right strategy in order to achieve management improvement so VCSA becomes a reference for other enterprises, reason why VCSA has pretended that different persons in the company take part in its design.

VCSA has continued submitting these documents to the interested parties, paying special attention to the suppliers and subcontractors, entities which receive the procedures and applicable documentation.

During 2010 the diptych with these texts has been continuously edited for delivery to customers, visitors and suppliers. The mentioned documents have been included in the Annual Improvement Book and in the Sustainability Report 2010 (both edited and delivered in the year 2011).

Actions

Describe the actions carried out, in relation to this Principle, during the previous year indicating the Group of interest which they are related to.



Human Rights

Principle 1

Implantation

Our policy has been communicated to the different groups of interest, focusing in a special way to our personnel and families, to our clients, to our suppliers and entities which collaborate with us and to the local community and society.

On February 2010 it has been the Annual Reunion of VCSA with all the personnel and collaborators to summarize the results of the last year and to advance the objectives for the starting one. In this event the policies of the organization are commented.

On June 2010 the III Sustainability Report was distributed to all the groups of interest. In this publication the policies introduce the information together with a letter from the president of the company and other letter from the managing director. This report was submitted to the representatives of the interested parties.

On October 2010 the Annual Improvement Book was issued including at the beginning the Integrated Policy, Mission, Vision & Values of VCSA.

The compromise of VCSA with the clients pretends to satisfy their needs, and to evaluate and to increase their satisfaction, developing actions to correct the necessary points using suggestions for improving. The period of global crisis has reduced the business and the knowledge of client's perception regarding to our philosophy, but in VCSA we have tried to communicate and share the policy, learning lots of lessons from more developed organizations.

In all the meeting rooms, the policies are available in Spanish & English languages, so clients and visitors can get easy access.

Scores 2010

Policy availability and distribution: 100%

Client Satisfaction 2010 = 4.15 on 5

Response to questionnaires = 43% of relevant contracts

Suppliers not quality cost = 8.5 Euro/ton chain

Non-conformities of suppliers: Reduction 10 %

Training = 3.53 % of active time

Human mistake cost = 14,68 Euro/ton chain



Follow-up and Impact Measurement

Has the entity mechanism of follow-up of its policy of Human Rights? Describe them?

Response: Yes

Implantation

As said before, HSE is our aim for the period 2009 – 2015, focusing this aspect of the management systems in a rigorous way by means of the improvement of the effectiveness of the leadership in all levels of responsibility

VCSA has improved the preventive information pushed on to clients, subcontractors and visitors so they achieve a safe and healthy stay at VCSA plants. This has become extensive to shareholders and investors when they have visited us.

The above mentioned management of the health and safety conditions of all who collaborate with the managerial project or visit us (staff, subcontractors and visitors) is evaluated for its efficiency.

The funds destined to support social activities have increased in number and economic quantity (15%). VCSA collaborates with Charity Organizations, Choral Ensemble, Cultural Associations, Football and Rowing clubs Neighbour Association, focusing besides other activities related to youth and infancy.

The current situation of global crisis has not permitted to increase the number of indefinite contracts, but the stability of the existing ones has been a compromise of the managing direction.

No any temporary reduction of employment has been carried out, maintaining the number of jobs, decision which has been well considered and evaluated by the personnel and other groups of interest.

The improvement of the effectiveness of the environmental management has been constant, and no significant incident with the neighbourhood happened in 2010, in spite of our facilities are in the middle of the town surrounded by residential houses.



Human Rights

Principle 1

Target

The implementation of a real and effective leadership in HSE was determined as the main objective for 2010, being the final result of this period the conscience of the importance of the objective, and the necessity of a longer period (2010 – 2012) to consolidate it.

Monthly follow-up of the health and safety statistics which are articulated to the whole staff in the monthly meeting of Integrated Systems of Management

Monthly following-up of the indicators of penalty for legal breach. Permanent management of possible inconveniences to neighbours.

VCSA has performed the periodic meetings with the Social Representatives to deal not only those subjects concerning to Health and Safety (Committee of Security) but also with those relative to the agreements among company and collaborators.

Edition of the Sustainability Report 2010 (that is published in 2011) has been a convenient way to publish the most relevant issues regarding to HSE together with documented details.

Indicate the percentage of employees informed about the ethical policy by which the entity is ruled.

Response: 100 %

Implantation

The ethical principles formulated, commented and circulated by means of the documents called Integrated Policy, Mission, Vision and Values, have been discussed in detail in meetings attended by the whole staff, and in small group contact meetings of the Socrates and Symbiosis projects in which all the employees have participated.

The above mentioned documents have been displayed in strategic points of the company, fully accessible to all the staff.



Implantation Summary Principle 1

Principle 1	Diagnosis	Policy	Actions	Follow-up and Impact Measurement
Customers	A: Economic rights	A: Policy, Mission and Values	A: Satisfaction and faithfulness	A: Safety
	T: 100% product specification fulfilment	T: specifications fulfilment	T: 4.5 on 5	Zero accidents involving customer visitors
Employees	A: Unsafe working conditions	A: Policy, Mission and Values	A: Health and Safety	A: Health and Safety
	T: Decent and steady work	T: Decrease accidental rates	T: 100% workers properly trained	T: Decrease accidental rates
Shareholders	A: Economic rights	A: Policy, Mission and Values	A: Safety and economic viability	A: Safety and economic viability
	T: Profit	T: Safety and profit	T: Profit	Zero accidents involving shareholder visitors
Investors	A: Economic rights	A: Policy, Mission and Values	A: Safety and economic viability	A: Safety and economic viability
	T: Profit	T: Safety and a better return of the investment	T: Profit	Zero accidents involving investor visitors
Suppliers	A: Economic rights	A: Policy, Mission and Values	A: Fulfil VCSA requirements	A: Safety
	T: Fulfil VCSA requirements	T: Company Management	T: Requirements and delivery end line	Zero accidents involving subcontractors in VCSA plants



Implantation Summary Principle 1

Principle 1	Diagnosis	Policy	Actions	Follow-up and Impact Measurement
NGO and Corporative Social Responsibility with the Community	A: Social responsibility	A: Policy, Mission and Values	A: Social responsibility	A: Social responsibility
	T: Different sponsorships	T: Different sponsorships	T: Different sponsorships	T: Different sponsorships
Local communities	A: Respect to the environment and managerial social responsibility	A: Policy, Mission and Values. Respect to the environment and managerial social responsibility	A: Respect to the environment and managerial social responsibility	A: Respect to the environment and managerial social responsibility
	T: Neighbour's complains	T: Neighbour's complains	T: Support the local associations	T: Neighbour's complains and support the local associations
Society	A: Create wealth and employment	A: Policy, Mission and Values. Create wealth and employment	A: Create wealth and employment	A: Create wealth and employment
	241 employees	241 employees	241 employees	241 employees
Government and Public Administrations	A: Legal fulfilment	A: Policy, Mission and Values. Legal fulfilment	A: Legal fulfilment	A: Legal fulfilment
	T: Zero penalties	T: Zero fines. Go beyond the legal fulfilment	T: Zero penalties	T: Zero penalties and fines



Implantation Summary Principle 1

Principle 1	Diagnosis	Policy	Actions	Follow-up and Impact Measurement
Environmental	A: Protect the environment	A: Policy, Mission and Values. Protect the environment	A: Protect the environment	A: Protect the environment
	T: zero environmental impacts	T: zero environmental impacts	T: zero environmental impacts	T: zero environmental impacts
Mass Media	A: Share information about activity	A: Share information about VCSA	A: Share the working experience	A: Share information about activity
	T: Good practice information	T: Good practice information	T: Share good practice information	T: Edit Improvement Report Book and Sustainability Report
Unions	A: Agreement and social peace	A: Policy, Mission and Values. Agreement and social peace	A: Agreement and social peace	A: Agreement and social peace
	T: Economical and social agreement until 2010	T: Economical and social agreement until 2010	T: Implication in attainment of targets	T: Economical and social agreement until 2010
Knowledge Web	A: New safe and non contaminant products	A: New safe and non contaminant products	A: Develop new safe and non contaminant products	A: New developments
	T: New product and solutions	T: New product and solutions	T: New products	T: New products

A : Answer

T: Target



Principle 2

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



Principle 2

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

Diagnosis

Has the entity a classification of suppliers depending on risk of Human Rights violations? Specify the risk and indicate whether those that have certifications are favoured.

Response: Others

Implantation

VCSA regarding to the sportive entities which is supporting, has started to require the compromise to avoid any type of risk for the young people who participate in them. So, we are demanding not to permit or incentive the consumption of substances that can modify the physical performance.

The suppliers and subcontractors approved during 2010 by VCSA have demonstrated enough alignment of strategies and conformity of values, verified as well as the necessary conformity in relation to the requirements communicated at the beginning of the contract relationship. Demonstrated fulfilment of the following is formally requested:

1. Contracting
2. Health and Safety at work
3. Compliance with Health, Safety Environmental legislation
4. Waste management
5. Adequate training of subcontracted workers
6. Ethical behaviour commitment, which is even more significant in the current economic situation.

After checking the fulfilment of these conditions, a report is signed by both parts.

As traditional, during 2010 we were visited by several educational organizations, students and teachers to whom we have transmitted our philosophy and understanding of corporate social responsibility.

In a similar way, we have received 275 citizens who have wanted to know VCSA as per a Bilbao City Council program "Bilbao Izan".



Human Rights

Principle 2

Target

100 % of the approved suppliers / subcontractors must fulfil the VCSA requirements as shown in the applicable procedure VQM 16 form (attached)

Annual evaluation of the performance of 100 % of suppliers for their incorporation and permanency in the list of approved suppliers.

Policy

Has the entity a formal policy of purchases or does it use a system of selection of products and services, according with its managerial social responsibility policy?

Response: Others

Implantation

Since 2009, VCSA, member of the Basque Companies Association for the Sustainability and Managerial Social Responsibility IZAITE, is adopting certain elements of the Model of Traction over the Supply Chain proposed by this association.

Significant improvements have been achieved in the implantation of the Managerial Social Responsibility in VCSA, applying IZAITE's methodology and other relevant considerations that VCSA gets by other ways.

VCSA has contacted in 2010 some suppliers and subcontractors in order to sensitize some companies about CSR

During these evaluations the Integrated System of Management is taken into account, giving special importance to Health and Safety and Environmental protection.

The selection of products and services has been carried out using the list of approved suppliers, and this documentation is used for planning visits and audits, having in target the traction of our suppliers.



Principle 2

Targets

Standardizing approaches and development of activity and management with significant suppliers and subcontractors.

Promoting the Integrated Management System implementation, when such a possibility exists, as well as introducing in the corporative social responsibility to those companies that have not begun to develop those activities or that, having had interest to do so, have not developed a clear strategy yet.

Actions

Describe the actions carried out related to this principle during the last year, indicating the group of interest which it is focused.

Implantation

In 2010 VCSA has kept the permanent follow-up and evaluation in a systematic way, with an annual summary of behaviour, management efficiency and demanded requirements fulfilment. Also, and for the first time, the CSR has been included as an aspect to audit in the most advanced companies VCSA works with.

The difficult situation that unfortunately almost all of our groups of interest are living, and in special way some of our subcontractors, due to the crisis, has persuaded to attempt an additional sensibility in order to make an equitable distribution of orders, trying to favour the continuity and viability of these organizations.

Experience exchange with advanced organizations has been kept, incorporating to VCSA some lessons learnt regarding to CSR and sustainability.

Beyond its influence capability, VCSA has supported the implantation of Integrated Management Systems, principally Health and Safety at work and Environmental Protection systems, demanding the fulfilment of certain basic Human Rights such as labour risk prevention and environmental protection to some subcontractors.



Human Rights

Principle 2

VCSA has kept incorporating to personnel of subcontracted companies of frequent presence in VCSA in training activities to extend good work practices.

Target

Introducing the CSR consideration in the suppliers most advanced in this field. This issue has been discussed in the contacts with all the subcontractors.

Promoting the implantation and certification of Health and Safety and Environmental Protection systems in two suppliers.

Fulfilment of 100 % of the Annual Plan of Audit to Suppliers, checking the fulfilment of the requirements of the VCSA Integrated Management Systems and promoting the implantation of the actions agreed in former audits.

Follow-up and Impact Measurement

Indicate the percentage of the suppliers that have a certification (example: SA 8000, ISO 9001)

Response: 50 % of relevant suppliers and subcontractors.

Implantation

About 50% of significant suppliers and subcontractors are certified ISO 14001 or OHSAS 18001, but in two cases, this certification has been suspended as consequence of the current global crisis .

It has been expressed in a clear way to the suppliers and subcontractors who show interest at implementing a management system the VCSA's helping disposition to communicate experiences and learned lessons, as well as to provide the knowledge and documentation that could be useful to them.

Target

Achieving the implantation system certification of management systems on the basis of ISO14001 - 18001 to two more subcontractors, maintaining the existing ones



Implantation Summary Principle 2

Principle 2	Diagnosis	Policy	Actions	Follow-up and Impact Measurement
Suppliers	A: Approved suppliers	A: Approved suppliers	A: Approved suppliers	
	T: List of VCSA approved suppliers	T: List of VCSA approved suppliers	T: List of VCSA approved suppliers	

A: Answer T: Target



No apply for this Principle

Labour





Principle 3

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



Labour

Principle 3

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

Diagnosis

Indicate if risk factors exist that could put in danger the effective recognition of collective negotiation right.

Response: No

Implantation

VCSA, according to the current legislation, takes part in the Metal Agreement (in Spain the labour conditions depend on activity sectors) and the affairs related to the Unions representation are clearly defined and regulated by law in the Statute of the Workers and the Bizkaia Region Metal Agreement.

VCSA strictly fulfils the second section of the Statute of the Workers that regulates "the rights of collective representation and of meeting of the workers in the company".

VCSA is aware of the importance of freedom of association and collective negotiation, which favors the activity providing the most convenient schedules and changes, providing material resources (meeting rooms, software and hardware), as well as informing and enabling participation at high-level meetings to the representatives of workers.

Target

Guarantee union freedom, freedom of the workers' representatives in their union functions and affiliation freedom of its workers.

Policy

Has the entity a policy of consulting the most company relevant matters with the employees?

Response: Others



Implantation

In the ongoing effort to get the involvement of people in the business project as a guarantee of future and the best possible development of the people involved in it, VCSA held in 2010 an extensive program of meetings, forums and encounters in which have been reported, shared, discussed and learned.

The most relevant forums and communication channels for sharing information are:

1. Monthly Integrated Management System Meetings: Meetings in the mornings and afternoons with all the workers to comment on the relevant aspects of the last month in relation to health and safety, quality, order book, etc.
2. Symbiosis Meetings: Ad hoc meetings in the morning, evening and night shifts with all the staff to comment on the most relevant information about the actual moment of global crisis and the impact in our company
3. Company Day: Annual meeting with the whole staff for the presentation of the turnover, annual management plan, sales forecast, etc.
4. Weekly AyCpC meetings (AyCpC means “Aprender y Conocer para Compartir”, that is “Learn and Know to Share”). Weekly meetings that last 1-3 hours, where different topics related to the managerial, technical, humanist or industrial subjects are discussed. During the year 2010 we have been receiving external speakers of relevant companies, associations, etc, usually take part in these meetings in order to share their experience.
5. MRF meetings (Future Relationship Framework). The management team organizes interviews with two employees each time, and the target is to measures the satisfaction rate of the employees about subjects related to the work, such as Health & Safety, Quality, Environment, Productivity and Recognition. These interviews last about one hour, depending of the employees.



Labour

Principle 3

PCA meeting, is a meeting that is held with the teams involved in carrying out the various fabrications to explain comprehensively and in detail the various points of the specification of the relevant orders. This is intended to increase awareness of individual and group work, encouraging efficiency and commitment of different people.

Target

Improve a 10 % the satisfaction of the employees

Actions

Describe the actions carried out related to this principle during the last year, indicating the group of interest which it is focused.

Implantation

In VCSA we have strengthened our resolve to meet the requirements of applicable law, going beyond those areas where it has been reasonable."The affiliation freedom and the Effective Recognition of the right to the collective negotiation" have been observed throughout 2010, and has not been any case of labor disputes or claims in relation to this issue.

Representatives of workers, both advocacy of the collective and determination of the economic agreements, as their specific safety delegates have been able to fulfill its mission of representation, both "in house", and abroad, with enough time that by law are given as one another additionally requested.

Union elections are performed every four years, and VCSA Management and the former worker representatives guarantee that the elections are carried out in a clean and regulated way. Next one will be on 2011.

VCSA management team agrees with the workers' representatives subjects such as the annual working calendar, economical agreements and ad hoc agreements about other subjects that could affect to any part.



Labour

Principle 3

Regarding to 2010 the Economical & Social Agreement in 2010, clearly impacted by the crisis affecting to our sector, the demand changes that have required a quick adaptation of the industrial organization to customers' request have been complemented with VCSA's commitment for keeping and increasing the employment, despite the mentioned crisis.

Likewise, and in order to provide the workers' representatives with information enough about the company situation for taking decisions and fulfilling their functions:

1. VCSA Management organizes three-monthly meetings to give information relative to turnovers, order book, sale forecast, etc.
2. The president of the workers' representatives has been invited every month to the discussion forums of the Management team, being informed at all time on the relevant facts of the company.

The main points of the Economical & Social Agreement stated in 2010 are:

- Payment of 5% of profit from ordinary activities
- Sign of the Flexibility Agreement (calendar & shift changes, etc...)
- No reduction of the staff
- Increase in maternity and paternity permits.
- Flexible schedule and timetable for better work life balance.

Target 2010

- Employment preservation
- Transparency in the managing of the company.
- Improvement of the effectiveness of the communication



Follow-up and Impact Measurement

Has the entity ways for listening, evaluating and doing the follow-up of the attitudes, worries, suggestions, critics of the workers with the intention of learning and acquiring new knowledge? Describe them.

Response: Yes

Implantation

VCSA has continued its policy for listening, evaluating and doing the follow-up of the attitudes, worries, suggestions and critics of the workers. The communication channels and forums created as exchange-places complement the daily report El Cadenero, which is issued and available to all workstations at 05:00 p.m. from Monday through Friday. So:

- Monthly Integrated Management System Meetings: Meetings in the mornings and afternoons with all the workers to comment on the relevant aspects of the last month in relation to health and safety, quality, order book, etc.
- Symbiosis Meetings:
- Ad hoc meetings in the morning, evening and night shifts with all the staff to comment on the most relevant information about annual results, management planning, sales forecast, etc.
- Company Day: Annual meeting with the whole staff for the presentation of the turnover, annual management plan, sales forecast, etc.
- Weekly AyCpC meetings (AyCpC means “Aprender y Conocer para Compartir”, that is “Learn and Know to Share”). Weekly meetings that last 1-3 hours.
- Monthly Operative HSE meetings



Labour

Principle 3

- MRF meetings (Marco de Relaciones Futuras, future relationships framework). The management team organizes interviews with the staff.
- Project PCA meeting. The project manager assembles the involved team to identify critical points, determine action, assign responsibility, and apply suggestions for improvement.

Target

- Get commitment of all the persons.
- Implement lessons learnt
- Develop and share knowledge
- Increase satisfaction of the personnel



Implantation Summary Principle 3

Principle 3	Diagnosis	Policy	Actions	Follow-up and Impact Measurement
Employees	A: Workers' representatives	A: Satisfied employees	A: Get maximum commitment of employees and workers' representatives	
	T: Free election of the workers' representatives	T: Increase the employees satisfaction	T: Increase the employees satisfaction Knowledge Lessons learnt	

A: Answer T: Target



No apply for this Principle



Principle 4

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



Labour

Principle 4

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

Diagnosis

Indicate if forced labour is a risk factor in the entity, in view of the type of activity it develops.

Response: No

Implantation

The process "Personnel Development" (Human Resources) has continued in 2010 with its mission: "to satisfy the needs of all the persons who collaborate in VCSA's project with the purpose of turning the company into a meeting place where it is possible to share, make up, take part and collaborate in such a form and way that all of them feel valued, satisfied, highly qualified, flexible and self-managed so they can develop their career in a safe environment, and in a climate of harmony, respect and confidence."

Target

Personnel Development" (Human Resources) has developed a Plan of Action 2010 in which identifies strategies to systematize communication channels, to reinforce the habits of living, participate in reducing absenteeism, designing a Structured Equity Plan and strengthen flexibility agreement.

Does the entity offers facilities to its employees to balance professional and personal life, for example, a schedule of flexible work or working from home? Describe them.

Response: Yes



Principle 4

Implantation

Although designed the basic architecture of the Equality Plan, and there is indeed a very successful implementation of this principle it has not been able to formally make such a plan.

The effectiveness of communication channels has been assessed implemented in interaction with the processes involved the systematic preparation, participation and recruitment of perception necessary for improvement.

Absenteeism regardless of the occupational accident has been treated by creating a task force with broad participation, where they have identified immediate and basic causes, agreeing with the processes involved actions that have allowed a reduction even if it can not be considered significant it involves the pursuit of one goal so far unsurpassed.

Target

- Reduction of absence from work as consequence of labour accident.
- Desarrollar un Plan Formal de Igualdad

Policy

Has the entity a clear written policy, or there is an agreement, where the number of working hours and the salaries of the employees is determined?

Response: Yes

Implantation

As has been in previous COP, VCSA has kept the integrity of the economic-labour agreement accorded in 2006 with the worker' representatives, which also was approved by the majority of the employees, with a 5 years duration (until 2010). This agreement has been managed without relevant discrepancies, allowing new approaches to collective bargaining.

This agreement meant an improvement comparing to the sector's conditions, and a clear attempt to introduce improvements related to organization, remuneration and flexibility.



Labour

Principle 4

Target:

Establish the guidelines of agreement necessary for a stability in the relations during the period (2006-10) making it easier to attain the strategic aims of the company, paying special attention to the sustainability of the company.

Actions

Describe the actions carried out related to this principle during the last year, indicating the group of interest which it is focused.

Implantation:

- Daily flexitime or part-time work for persons with personal needs.
- Training in labour time for those persons from whom qualification is asked or who request improvement in their training.
- Compensation by higher percentage of free days the overtime, when strictly required.
- Auxiliary service in case of labour contraindication.
- Agreed exchange of shift when there is availability.
- Flexible summer hours when the work post allows it.
- Special shift work hours to decrease stress.

Target:

- More effectiveness in the result of HSE management.
- Satisfy employees' needs simultaneously with company's needs regarding to sustainability and economic viability.
- Facilitate personal and professional development.
- Zero overtime (without loss of productivity).



Principle 4

Follow-up and Impact Measurement

Has the entity control mechanisms that guarantee the fulfilment of the established policies related to work timetable, flexibility, over time, and balancing personal and professional life? Describe them.

Response: Yes

Implantation

Vicinay Cadenas policy in relation to working hours, overtime, reconciling work and family life, etc. has changed in recent years in search of personal fulfillment in the occupation that allows the productivity required for the viability of the company as well as the availability of time for personal fulfillment and life balance.

The current global crisis now affecting almost all sectors of industry have forced the reduction of overtime (overtime), issue that VCSA implanted before the current instability, which in 2010 was generally accepted.

Target

- Systematize and improve the information given to workers regarding working hours and schedules.
- Create a communication channel on the premium received in the month for each worker
- Minimization up to the elimination of overtime.
- Adapt VCSA schedules to the needs of each activity process.



Implantation Summary Principle 4

Principle 4	Diagnosis	Policy	Actions	Follow-up and Impact Measurement
Employees	A: Plan the work with the adequate staff.	A: Right salary policy, without discriminations	A: Safe, decent and equitable work	A: Fulfilment of working hours policy
	T: Balance of personal and professional life	T: Majority accepted economical & social agreement Productivity	T: Majority accepted economical & social agreement	T: Balance of personal and professional life Zero overtime Systematization of communication

A: Answer

T: Target





Principle 5

Businesses should uphold the effective abolition of child labour.



Principle 5

Businesses should uphold the effective abolition of child labour.

Diagnosis

Indicate if the child labour is a risk factor in the entity, in view of the type of activity it develops.

Response: No

Implantation

VCSA continues without detecting child labour among its risk factors, as we clearly assured in the last report. Although VCSA understands that it could be possible in any of the groups of interest that identifies, there is not evidence anywhere of this unwanted activity. VCSA identifies suppliers, NGOs, Local communities and Society as its groups of interest, and in 2010 there is no evidence of child labour.

VCSA is part of the corporative group Vicinay Marine that also possesses factories in Brazil and China. There is total evidence of not child labour in these factories, and does not even have news that it could take place in its chain of supply.

VCSA, in its CSR policy, has an special sensitivity to the childhood world, sponsoring, according to the policy, activities for children

Policy

Has the entity a clear written policy, where child labour is forbidden, and communicates it?

Response: No



Principle 5

Implantation

Vicinay Cadenas in 2010 has not developed a specific policy regarding child labor, because as it is reported in this report it is a risk that does not exist in its business or its sphere of influence. The guidance for children has been determined clearly the responsibility of the sponsoring, this group is a prime recipient of an important part of corporate responsibility.

Actions

Describe the actions carried out related to this principle during the last year, indicating the group of interest which it is focused.

Implantation

Vicinay Cadenas keeps close contact with the companies of the corporate group Vicinay Marine in Brazil and China, and these organizations share knowledge and politics, human rights remain an important aspect of this relationship.

People who share a business project VCSA with our families come to enjoy initiatives focused on children (Christmas card contest, children's party year-end, visit industrial facilities in conjunction with school mates, etc.) and in 2010 have remained all these activities with a very positive assessment by parents and children themselves.

It has increased the number of visits to schools, and was shown to children the world of work and the value of an academic and human efficiency.

Local communities around our two production facilities are being sponsored in some activities; with the annual festivals of the district VCSA develops specific activities for children.

In 2010 also maintained a supportive relationship with school, clubs and sports groups, mainly composed of children, whose managers have been asked a commitment not to permit or encourage the use of substances and associated practices that increase yield per above what is considered natural.



In 2010 it has maintained cooperation with NGO dedicated to children's support.



Implantation Summary Principle 5

Principle 5	Diagnosis	Policy	Actions	Follow-up and Impact Measurement
Employees		A: Child Labour	A: Child Labour	
		T: Commitment in the Corporate group	T: Eradicate 100 % in the influence area	
Suppliers	A: Child Labour			
	T: Keep the actual no risk condition			
NGO and Corporative Social Responsibility with the Community	A: Child Labour			
	T: Influence in order that it is not admitted			
Local communities	A: Child Labour			
	T: Influence in order that it is not admitted			
Society	A: Child Labour			
	T: Influence in order that it is not admitted			

A: Answer T: Target



No apply for this Principle



Principle 6

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



Labour

Principle 6

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

Diagnosis

Indicate the direct or indirect risks identified for each group of interest in your entity related to this Principle.

Implantation

VCSA gives equal treatment and does not practise any type of discrimination among the different interested parts in relation to the above mentioned groups of interest.

In 2010 VCSA has continued reducing the subcontracted and temporary staff, incorporating them as permanent staff.

The equal policy in the remuneration (same work and performance, same salary) has naturally been maintained.

In 2010 the contracting of the necessary personnel has been done following the policy of equality and transparency..

With regard to suppliers and subcontractors VCSA has continued a policy of equal requesting budgets and giving orders based on the best offers and alignment with the principles of our organization.

2010 was a year that the persistence of the crisis has affected several of our suppliers; companies to be approved by VCSA have been under consideration to allow, where possible, their viability at a time as complex as we living these years.



Labour

Principle 6

Policy

Has the entity formulated policies, plans and / or programs of integration and not discrimination of disadvantaged groups such as persons with disability, young people searching their first employment, unemployed major of 45 years, immigrant persons or people in risk of exclusion?

Response: Others

Implantation

In order to ensure that the work is appropriate to physical condition of the personnel, VCSA has continued improving during 2010 its plan of rejuvenation of the staff in those work positions where this can imply a problem for veteran workers. At the same time, automation and design of robot devices are allowing to perform certain tasks which until recently demanded high physical strength with less effort.

As far as people with a disability are concerned, VCSA fulfils the current legislation.

Target

Rejuvenating the staff by a retirement plant that fully satisfies those who finishes their working life.

Offering their first job to qualified young people.

Actions

Describe the actions carried out related to this principle during the last year, indicating the group of interest which it is focused.



Labour

Principle 6

Implantation

In 2010 the permanent staff has been increased in 7 persons (2 for manufacturing process, 2 for VM Innovation, 1 for Integrated Management System process, 1 for Maintenance and Engineering and 1 for Purchasing process,).

The subcontracted and temporary staff has been required according to needs.

The policy of contracting young people demanding their first job has been maintained at any moment.

Does the entity promote the effective equality of opportunities between men and women in all aspects, including the access to senior-level management position? Indicate what way.

Response: Yes

Implantation

As mentioned above, Vicinay Cadenas has been developing an ambitious program of automation and robotics to allow access of women in full equality to industrial production process.

The managerial and executive responsibility, as per Annexed Process Mapping, are coordinated by 60% women, a model of organization fully recognized by those who make up the business plan Vicinay Cadenas based on demonstrated competence and efficiency.

Target

To promote equality between men and women at all levels of the organization:



Labour

Principle 6

Follow-up and Impact Measurement

Does the entity publish the composition of the Management team and rest of the employees by category, sex, age and other diversity indicators?

Response: Yes

Implantation

Vicinay Cadenas organizes its management model based on processes, and the authority, responsibility and determination of functions have been communicated in an understandable and widely to all stakeholders.

The graphical representation of the organization intends to focus clearly the goal of equality, and that is why the spherical size that is conceptually removes the dominance of levels, gravitating around the customer, reason for the organization.



Implantation Summary Principle 6

Principle 6	Diagnosis	Policy	Actions	Follow-up and Impact Measurement
Employees	A: Discrimination at work	A: First job appliers	A: Equality between men and women. Young people applying for a job	
	T: Assure the equality and no-discrimination	T: Equality between man & women Replace senior workers due to retire with juniors	T: Equal equality in managerial positions. Reduce subcontracted workers and contract young workers	
Several groups of interest				A: Diversity indicators
				T: Equal opportunities

A: Answer T: Target



No apply for this Principle

Environment





Principle 7

Business should support a precautionary approach to environmental challenges.



Principle 7

Business should support a precautionary approach to environmental challenges.

Actions

Describe the actions carried out related to this principle during the last year, indicating the group of interest which it is focused.

Implantation:

Contamination prevention:

1. Follow-up and control of the preventive plan to avoid hydrocarbon leaks.
2. Regeneration and cleaning of used oils picked up in the machines during maintenance operations.
3. Oil release through official recycling company for its recovery and reuse.
4. Soundproof covering of the TSA/TSC tower, in order to avoid noise emission and disturbance of the neighbourhood.
5. Hazardous waste generation reduction.
6. Recycling of waste (scrap, refractory concrete).

Energetic efficiency. Consumption management

1. Reduction of energetic consumptions (natural gas, electricity).
2. Reduction of recycled paper consumption.
3. Use of environmental friendly consumables (paints for the identification of the links).
4. CO₂ emissions reduction.
5. Installation of low consume lighting instead of sodium vapour lamps.
6. Gas preheating furnace elimination, installation of an electric induction heater.

Target:

5% reduction in natural gas and electricity consumption



Follow-up and Impact Measurement

Indicate the number of hours dedicated to environmental training and global investment in environmental protection project.

Response: 789 hours

Implantation

The number of hours dedicated to environmental training and awareness raising ensues from the following activities:

1. Environmental subjects treated in the monthly meetings with 50% of the staff (depending of the shifts): 501 hours.
2. Specific environmental training for the Integrated Management System Audit Group.: 8 hours
3. Environmental coordinator training (external and internal): 110 hours
4. Meetings specifically related to environmental matters 165 hours
5. Environmental training included in the reception plan for all the new VCSA employees: 50 hours

Target

Not to reduce investment in environmental protection despite of the actual moment of crisis that is affecting to our sector

Maintain training and sensitization regarding environmental issues.



Implantation Summary Principle 7

Principle 7	Diagnosis	Policy	Actions	Follow-up and Impact Measurement
Several groups of interest			A: Industrial sustainability	Environmental product declaration (EPD)
			T: Provide comprehensible information about the environmental impact of the product Avoid contamination and promote the responsible consumption	Reduction of 54% of the impact of the significant aspects (which suppose about 90% of the total impact)

A: Answer T: Target



No apply for this Principle





Principle 8

Businesses should undertake initiatives to promote greater environmental responsibility.



Principle 8

Businesses should undertake initiatives to promote greater environmental responsibility.

Diagnosis

Indicate the environmental risks and responsibilities of your entity, in view of the type of activity it develops.

Implantation:

1. Failure of the mooring chain in service as consequence of non conforming product, with the risk of oil spill

The identified risks, due to the fact that VCSA company in 2010 is still located in a residential-industrial mixed use area, are:

2. Disturbance to neighbours because of noise emission:
 - a) Chain movement, loading and unloading.
 - b) Machinery.
3. In-house soil contamination due to:
 - a) Leaks of hydraulic oil in the machinery.
 - b) Hazardous waste generation (used oil and absorbent impregnated with hydrocarbon.

Target:

Risk 1: Manufacture of product which meets always the specification

Risk 2: No complaints for neighbour disturbance, as chain and unloads of the raw material are done during the day and as the factory doors close during the night.



Principle 8

Risk 3 target: Effective maintenance to ensure effectiveness in leakage prevention

- a) Follow-up of the preventive plan of control and elimination of oil leaks,
- b) Regeneration and cleaning of used oils picked up in the machines during maintenance operations.
- c) Oil releasing through official recycling company for its recovery and industrial reuse.
- d) Replacing mineral absorbent with a textile that it is washed for its reuse.

Actions

Has the entity an integrated management policy or a methodology based on an environmental management policy to assure fulfilment of the legality regarding environmental subjects, taking into account the environment in the organization process, as well as the prevention and management of environmental risks?

Response: Yes

Implantation

VCSA implements since 2006 an integrated management system for Quality, Environmental and Health and Safety, and has got accreditation of the Quality standard ISO 9001:2008, Environmental standard ISO14001:2004 and Health and Safety standard OHSAS 18001:2007.

Target:

Improving the application of the commitments publicized in the Integrated Management Policy.



Describe the actions carried out related to this principle during the last year, indicating the group of interest which it is focused.

Implantation

1. VCSA, is managed by processes, the daily environmental management is developed in each process, and the Integrated Management System Process coordinates environmental actions.
2. Employees. Raising environmental awareness of the personnel at the different levels of the organization through the following forums/measures:
 - a) Monthly meetings with the whole staff where they are informed about different environmental issues of the company, including the monthly amount of CO₂ emissions.
 - b) Environmental training meetings.
 - c) There is a daily report in VCSA called “Cadenero”, where articles related to environmental protection are published. It also includes a daily section with advices about environmentally friendly practices.
 - d) Coordination meetings with the Processes’ managers.
 - e) AyCpC meetings (AyCpC means “Aprender y Conocer para Compartir”, that is “Learn and Know to Share”) dedicated to environmental matters, such as the BP oil platform accident for example.
 - f) Monthly environmental communication; there is a notice board near the main entrance of the factory where monthly environmental advices and communications are displayed.
 - g) Visits to others companies that develop good environmental techniques.
3. Suppliers. VCSA has a clear policy regarding to this group of interest, defined along the following lines:
 - a) Helping other companies in the Environmental Management System implementation, whenever this is possible.
 - b) Conducting external environmental audits to VCSA’s suppliers.
 - c) Circulating good environmental practices among suppliers.



4. Environmental - Local community: The following actions were taken last year:

- a) VCSA has earned the EPD declaration (Environmental Product Declaration) Label Type III for its products R4 and R5 quality mooring chain with the Swedish organism Environdec. This shows the emissions of greenhouse gases, expressed in CO₂-equivalents, based on verified results from a lifecycle assessment performed in accordance with ISO 14025.
- b) During 2010 VCSA has declared, through the "Stop CO₂" Basque Country government project, of VCSA's CO₂ emissions, and compromise of their annual reduction through an action plan.
- c) VCSA takes part in forums and meetings organized by IZAITE (Basque Country Companies Association for the Sustainability) where its environmentally friendly activities are explained.
- d) Installation new water cooling towers more efficient and respectful.

Follow-up and Impact Measurement

Indicate the electricity, water and paper consumption data in the year:

Electricity: 0,503 Kwh/Tn (-11%)

Water: 1,87 m3/Tn (-10%)

Natural Gas: 2,63 Kwh/Tn (-21%)

Target

Electricity: 0,600 Kwh/Tn (5% Reduction of electricity consumption)

Water: 1,96 m3/Tn (5% Reduction of water consumption)


Natural Gas: 2,80 Kwh/Tn (5% Reduction of natural gas consumption)



Implantation Summary Principle 8

Principle 8	Diagnosis	Policy	Actions	Follow-up and Impact Measurement
Several groups of interest	<p>A: Oil spill as consequence of mooring chain failure</p> <p>Nuisance to neighbours</p> <p>Soil and acoustic contamination</p>	A: Integrated Policy of Health and Safety, Quality and Environmental	<p>A: Effectiveness in management systems and corporate social responsibility.</p> <p>Respect and methodology</p> <p>Leakage preventive plan</p>	
	<p>T: 100% conforming product</p> <p>Respect and Zero neighbour complains</p> <p>and 5% decrease of absorbent use</p>	T: Match the management system scope	<p>T: Maximum conformity of process and product</p> <p>Social responsibility in all the activities</p> <p>Environmental management in each process</p>	

A: Answer T: Target

 No apply for this Principle



Principle 9

Businesses should encourage the development and diffusion of environmentally friendly technologies.



Principle 9

Businesses should encourage the development and diffusion of environmentally friendly technologies.

Actions

Describe the actions carried out related to this principle during the last year, indicating the group of interest which it is focused.

Implantation

1. VCSA has developed new installation induction pre-heating system M1 to avoid consumption of non-renewable resources (natural gas).
 - The installation also includes a new water cooling towers more efficient and respectful. The cost has been 65.658 euros.
2. VCSA has improved the lighting of workshops to reduce the electricity consumption. The new system includes outdoor light sensors

The year 2010 has been very fruitful for VCSA because the participation in IZAITE (Basque Country Companies Association for the Sustainability) has allowed to share environmentally friendly practices, technologies and experiences with other members of the organization from different sectors: aeronautical, chemical, furniture manufacturing, banking, transport, etc.





Environment

Principle 9

VCSA is VIP member of the “Stop CO₂” Basque Country government project, which consists in the measuring of the company CO₂ emission, and prepares an annual plan to reduce them.

In 2010 VCSA has continued its collaboration in other environmental related forums, promoting CSR and industrial sustainability.

VCSA has tried to improve environmental awareness in the persons who have visited our facilities, becoming a reference of CSR in our region.

Targets

5% Reduction of electricity, Natural Gas and water consumptions

5% Reduction of CO₂ emission

Diffusion of EPD program as a good practice for other enterprises

Total investment on the total gross income in the year, for the development and the spreading of environmentally friendly technologies.

Response: 1.10%



Environment

Principle 9

Implantation

VCSA has integrated the environmental considerations in all its activities and processes, for example I+D+i is applied to the new qualities design focusing on minimizing their possible impact during the whole lifecycle (cradle to cradle).

This includes minimizing the consumption of resources necessary to get the laminated bar, our raw material, manufacture of the chain, its service life, dismantling and final recycling. The amount of the investment in these high quality chains was 3% more than in 2010.

The improvement of the lighting of workshops with a cost of 122.655 euros.

The development of a new installation induction pre-heating system M1 to avoid consumption of non-renewable resources with a cost of 65.658 euros.

VCSA, in an effort to reduce the CO₂ emissions is replacing the gas powered furnaces with electric heaters.

The total these two concepts sum is 248.635 Euro.





Implantation Summary Principle 9

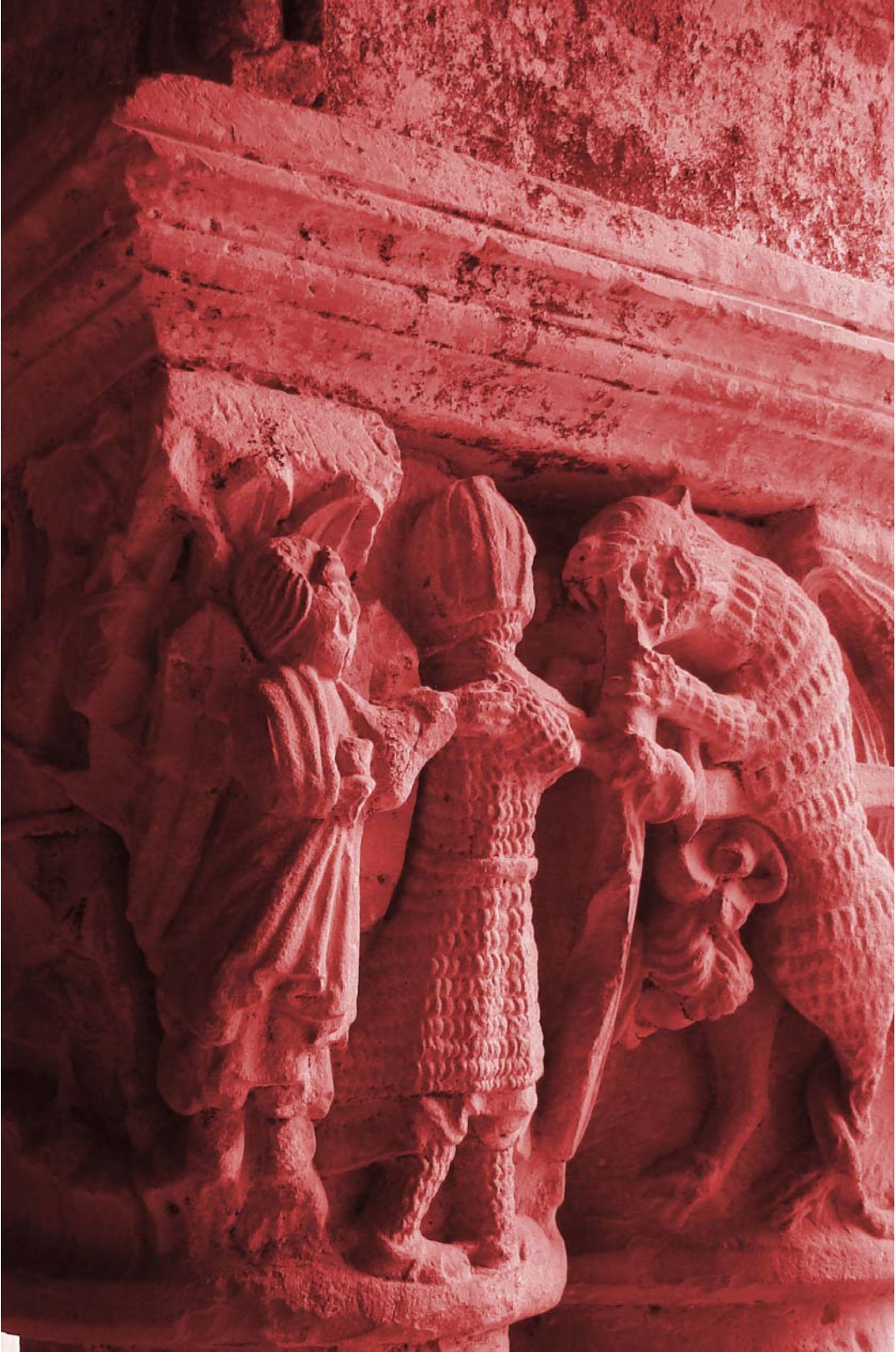
Principle 9	Diagnosis	Policy	Actions	Follow-up and Impact Measurement
Several groups of interest			A: Environmentally friendly technology	
			T: Energy efficiency and environmentally friendly	

A: Answer T: Target



No apply for this Principle

Anti-corruption





Principle 10

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



Principle 10

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

Diagnosis

Does the entity make a diagnosis to know the riskiest areas inside the entity and in its activity sector?

Response: Yes

Implantation

During 2010 VCSA has continued assessing the risk related to no ethical behaviour in its activity sector, even more at the present business time, and although VCSA has detected no corruption evidence, it is considered that it is very important to keep on watchful.

Has the entity a defined written policy or does it use any method of explicit rejection against corruption, extortion and capital laundering procedures?

Response: Others

Implantation

When the Managing Direction reviews the Integrated Policy in January 2010, in the contact with the representatives of some groups of interest, it is stated in a clear way that in any way reprehensible misbehaviours such as corruption are considered admissible. Furthermore, nowadays there is a total concordance among all the members of VCSA about the relevance of this principle.



Target

All the persons who work and collaborate with VCSA must act with integrity and sharing a common ethical behaviour.

Actions

Describe the actions carried out related to this principle during the last year, indicating the group of interest which it is focused.

Implantation

2010 has been for VCSA other year more in which the contractual relation has been exempted from any kind of irregularity. No corrupt practises have been detected and it has been continuously pretended a mutual profitable understanding with all the parts involved .

VCSA has continued offering its products to its customers on the basis of price lists, established and communicated before signing the contract.

The five year social agreement has been signed with the social representatives, has been working satisfactorily during 2010, and at the end of the year new negotiations have started in order to get the new agreement. The result of the business has been communicated to shareholders and investors, and there have been no relevant discrepancies to relate. Suppliers and subcontractors have collaborated with VCSA under a reasonable understanding climate, without irregularities regarding to corruption, and always trying to share the workload as fairly as possible in order to help their viability. The funds destined to support social activities (described in the first chapter) have been used strictly under an application of CSR criteria.



2010 was again a successful year with a great relationship with the administration having no legal infractions occurred.

VCSA has collaborated on several initiatives to enhance and extend good practice, especially environmental, where VCSA has played a significant sensitizer in terms of awareness of the importance of communication about potential impacts of the process and the cycle of life of the product.

The brand new high technology products provide our customers environmentally friendly and ethically produced chains and accessories.

The management team often speaks with the workers' representatives in order to reduce the gap of historical antagonism.

We have continued to pay particular attention and respect to the local community in order to prevent discomfort and any contamination, the result is a satisfactory ethical understanding and the absence of complaints and claims.

Follow-up and Impact Measurement

Indicate if the company has communicated to its groups of interest the entity conduct codes and policies against corruption and bribery. Indicate in the note field the percentage of every group of interest who know them.

Response: Others

Implantation

The company has not established an official communication channel about its conduct code towards its groups of interest, because there have been no cases of misconduct. However, the company has a close relationship with its groups of interest, whereby letting them know that VCSA ethical conduct and integrity of the persons is a fundamental principle.



Target

The aim of the company is to carry out ethical managerial practices that allow its groups of interest to keep the confidence in their mutual relationship.

To pay particular attention and respect to the local community in order to prevent discomfort and any contamination, the result is a satisfactory ethical understanding and the absence of complaints and claims.

To offer and require to the suppliers an ethical relationship, which is important at the present time, distributing the various orders according to best offer and support the sustainability of other Enterprises.

Has the entity a well structured economic-financial management system ruled by the commitment and transparency (according to the current legislation). Indicate acquired commitments.

Response: Others

Implantation

The company operates under a well structured economic-financial management system that follows a policy of transparency and right government, although a specific regulation in this aspect is not developed.

Target

The company is ruled by an economic-financial management system whose aim is to assure the business profitability so VCSA can fairly remunerate all its groups of interest, keeping the financial viability of the company and contributing to the development of its social environment in a transparent way.



Implantation Summary Principle 10

Principle 10	Diagnosis	Policy	Actions	Follow-up and Impact Measurement
Customers	A: Market research and necessities	A: Integrity in the contractual relationship	A: Upright contractual relationship	
	T: Managerial leadership and satisfaction of the customers	T: Meet the requirements	T: Meet the requirements	
Employees	A: Not enough implication and compromise in the project	A: Integrity in the contractual relationship	A: Upright contractual relationship	
	T: Persons who live of, in and with VCSA	T: Satisfied and implicated persons	T: Satisfied and implicated persons	
Shareholders	A: Deficient investment return	A: Persons compromised with the project	A: Persons compromised with the project	
	T: Economical profitability	T: Economical profitability that attracts the capital	T: Economical profitability	
Investors	A: Changing markets that dissuade the investment	A: People who trust the management	A: People who trust the management	
	T: Efficient management in order to get economical profitability	T: Satisfactory return of the investment	T: Satisfactory return of the investment	



Implantation Summary Principle 10

Principle 10	Diagnosis	Policy	Actions	Follow-up and Impact Measurement
Suppliers	A: Ally/partner's feeling	A: Integrity in the contractual relationship	A: Integrity in the contractual relationship	
	T: Ethical compromise of the suppliers with the project	T: Relation mutually satisfactory	T: Product/service OK. Profitable relationship	
NGO and Corporative Social Responsibility with the Community	A: Approach not aligned with the strategy	A: Social responsoromibility	A: Social responsibility	
	T: Involve to all the company in the CSR	T: Support the reduction of the corruption	T: Support the reduction of the corruption	
Local communities	A: Respect and compromise with the local community	A: Social responsibility	A: Social responsibility	
	T: Respect and support	T: Support the reduction of the corruption	T: Support the reduction of the corruption	
Society	A: Offshoring of the company	A: Social responsibility	A: Social responsibility	
	T: Keep the plants in Basque Country	T: Support the reduction of the corruption	T: Support the reduction of the corruption	



Implantation Summary Principle 10

Principle 10	Diagnosis	Policy	Actions	Follow-up and Impact Measurement
Government and Public Administrations	A: Legislation sometimes not very realistic	A: Go beyond the legal fulfilment	A: Go beyond the legal fulfilment	
	T: Collaborate with the administrations for a better compliance	T: Fully collaboration with the administration	T: Fully collaboration with the administration	
Environmental	A: Pollution	A: Protect the environment through sustainability	A: Protect the environment through sustainability	
	T: Prevent the pollution and decrease the noise emission	T: Prevent any type of nega pollution	T: Prevent the pollution	
Mass Media	A Defective analysis while transmitting news	A: Be clear and communicative with the media	A: Be clear and communicative with the media	
	T: Communicate and collaborate	T: Share knowledge and good practices with the society	T: Share knowledge and good practices with the society	
Unions	A: Historical prejudice that supports the confrontation	A: Management for the improvement of labour conditions	A: Management for the improvement of labour conditions	



Implantation Summary Principle 10

Principle 10	Diagnosis	Policy	Actions	Follow-up and Impact Measurement
Knowledge Web	A: Deficient knowledge management	A: Development of new ideas	A: Creativity and innovative solutions	
	T: Improve the self knowledge	T: Improvements clean and environmentally friendly	T: Improvements clean and environmentally friendly	
Other groups of interest				A: Right government
				T: Social profit with transparency

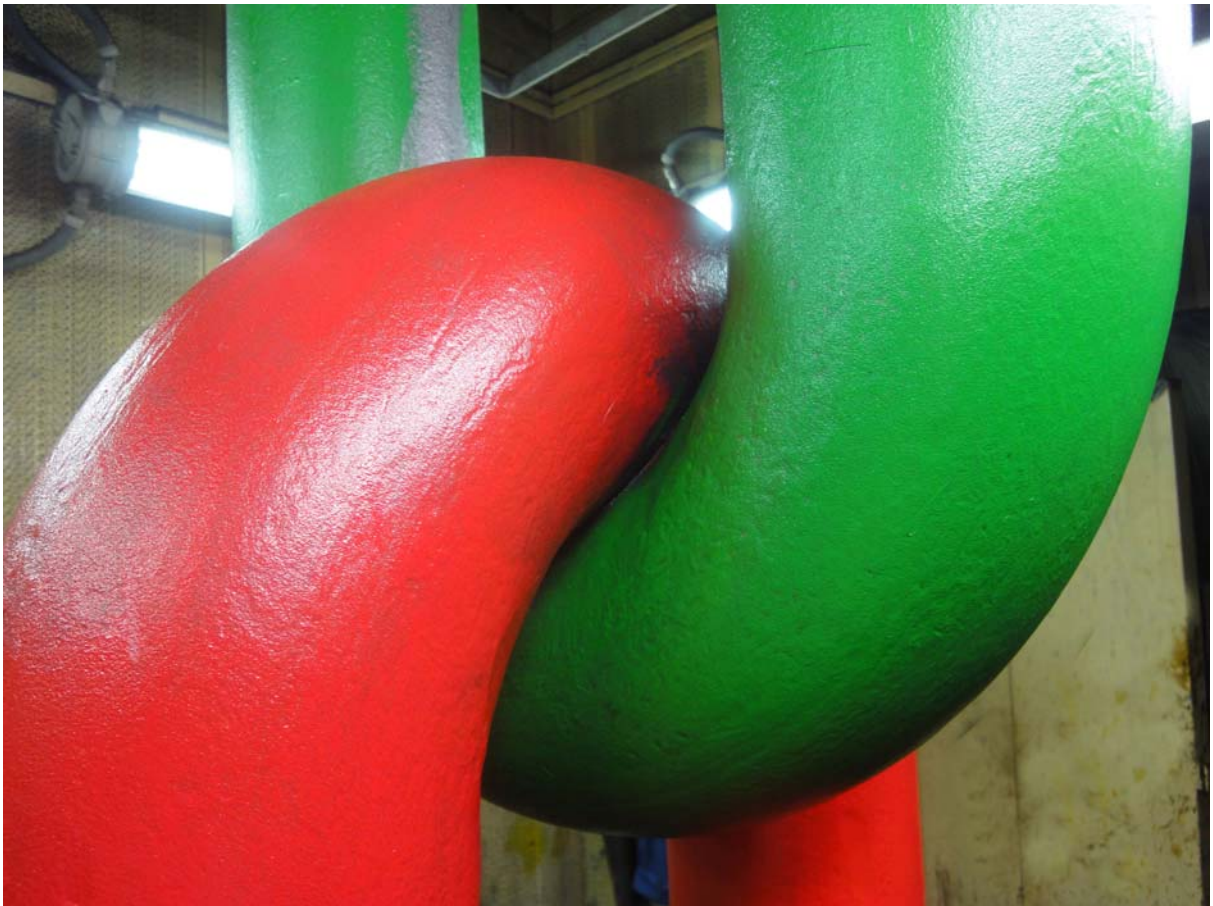
A: Answer T: Target



No apply for this Principle



Methodology





METHODOLOGY

Diagnosis

It is necessary know the present situation in order to know what needs has the entity. The indicators of diagnosis allow us to identify what policies, actions and follow-up is done by every Principle.

Policy

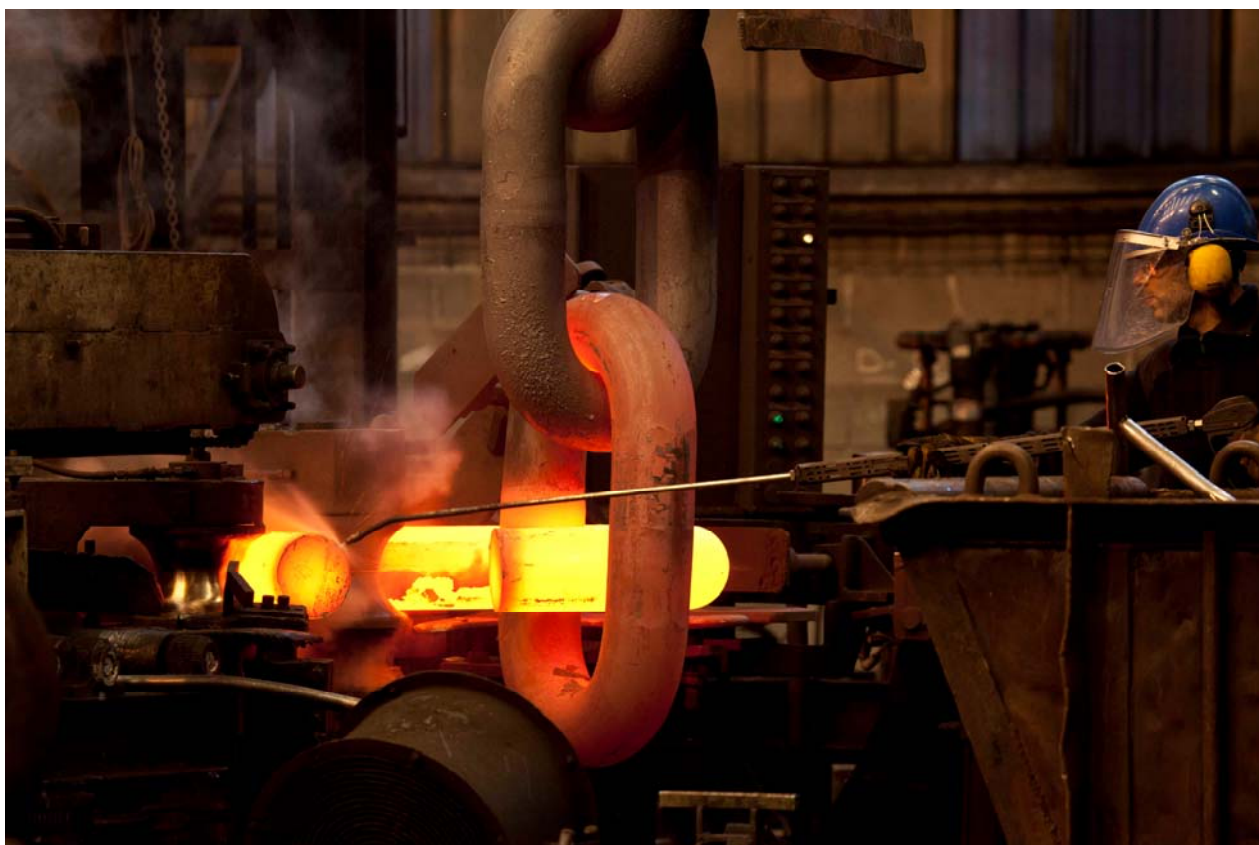
They come gathered by means of qualitative indicators that define the frame of action in which there are structured the actions and the mechanisms of control and follow-up of the entity.

Actions

They are implemented to fulfil the policies. They come described by means of qualitative and quantitative indications. Input: It is necessary an input to know what type of actions should be implemented. Dispensing these inputs useless or unnecessary actions could be implemented.

Follow-up and Impact measurement

Evaluation and control of the results obtained of the implemented actions. It comes reflected in the qualitative raised indicators. Output: Necessary to announce the results to be able to receive again ideas on possible necessary improvements.



All pictures and images by Vicinay Cadenas except the one in this page by Mikel Alonso.



The Vicinay family
in the chain industry
since the mid XVIII century

www.vicinaycadenas.com