



BIOPROTECT

Social Responsibility Report

Reporting Period:

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GLOBAL COMPACT SUPPORT DECLARATION

The reality of the modern-day society gives special importance to implementing the concept of social responsibility in everyday life. Individually it means every person's attitude to everything that surrounds us; it means what people choose to do: close the faucet when not using water, use energy saving lamps, turn off electric devices instead of putting them on stand-by, sorting waste, using public transport or walking to avoid polluting the environment and adding to the traffic etc. Such attitude generates the necessary prerequisites for a rational use of the current resource reserve, which benefits the users themselves, in terms of both quantity and quality. The same thing concerns small and medium enterprises displaying a responsible attitude towards everything connected with society, environment and various aspects of everyday life.

In its Social Responsibility Report for 2007-2008 BIOPROTECT intended to contribute through its actions to correct implementation of the Global Compact principles and share these values with its stakeholders. We have fulfilled most of the set objectives, although we should admit that our society is not yet ready to accept and develop such an approach. Nevertheless, BIOPROTECT considers that involving companies in social responsibility activities can help maintain good relationships with the community where they carry out their activity, solve certain unforeseen problems and conflicts, create a better work environment for employees and conditions of their recruitment, and it certainly helps build firm business relationships with the people and businesses of the community.

Within the following reporting period BIOPROTECT will continue observing and implementing the Global Compact principles in its activity and help build a healthy social environment by and for children, youth and older people.

Considering the ever-intensifying consequences of global warming manifested through frequent disastrous floods, two seasons instead of four, excessively high temperatures in the hot time of the year, strong storms and flu epidemics we can state that social responsibility is, in fact, a must for the survival of the entire world.

Veaceslav Osipov,

CEO BIOPROTECT Ltd.

A handwritten signature in black ink, appearing to read 'V. Osipov', with a long horizontal stroke extending to the right.

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1. About the Social Responsibility Report for 2009

This report describes social responsibility activities carried out by **BIOPROTECT** in 2009. By becoming a member of the Global Compact we have undertaken to promote and popularize its 10 principles and at the same time take the necessary measures to make sure Human Rights, Labor Standards, the principles of Environment Protection and Combating of Corruption are observed within our activity.

The content of the report first of all concerns the attitude of **BIOPROTECT** towards actors involved in the development of our activity in the sphere of services provided to agricultural producers.

In 2009 we planned to undertake a number of social responsibility actions dedicated especially to the **Company's Employees**, since we are sure that the financial crisis can only be overcome with a united team. Each member of our Company is familiar with the principles of social responsibility and has been involved in various activities carried out both within the Global Compact Network Moldova and within the Company's internal activity. We are positive that the involvement of our personnel will further help promote and ensure the observance of the Global Compact principles by more and more members of our society. Together with our staff we have given care and warmth to orphan children who can now move along in life with more confidence; we have visited and supported people in rest homes, who need attention and appreciation of their work and life experience; and we have participated in the clean-up of recreation areas in our town.

This year (2009) **BIOPROTECT** tended to promote the concept of social responsibility through its employees, since we believe that big goals are achieved through involvement and consistency. Therefore we can say that the Company managed to fulfill the 2008 objective of creating a certain **attitude** by inculcating such social values on members of the society they activate in.

BIOPROTECT will continue to contribute to the observance and protection of Human Rights and Labor Standards, support a preventive approach towards environmental challenges and promote a responsible attitude towards the environment in which it works.

2. Employees – Driving Force of the Company's Viability

BIOPROTECT continues to observe and support the protection of internationally proclaimed human rights in all its basic activities as well as in those that interact with other spheres of activity. The Company's management adjusts the Company's work strategy to human right observance policies; monitoring the activity in the sector allows it to detect system gaps, while implementation of new work strategies enhances its efficiency and productivity.

The Company is careful about the working conditions and environment of its employees and makes sure that its activity is carried out within a viable and healthy climate. **BIOPROTECT** management helps organize and perform regular medical examinations of employees, since care for its own personnel is its priority. As a result of the Company's cooperation with Chisinau Consulting and Diagnostic Center the 28 employees have passed medical examinations. The preventive control results enabled us to detect health problems with employees and take the necessary measures based on specialist recommendations. Care and concern for the health of the Company's personnel is one of its priorities, since they in their turn will care for the Company's clients, which will naturally contribute to the good conducting of the Company's current affairs.

BIOPROTECT continues to implement the international labor standards in its activity and does not use compulsory or forced labor. Work of the personnel is monitored by means of electronic systems, which allows for determining adequate and fair remuneration. The Company's management shows its care for employees through adequate pay but also through organizing entertainment and cultural education activities. In summer this year, 14 of the 28 employees went to Ukraine on holidays and the Company covered their transport, food and accommodation costs.

At the same time, under the circumstances of the world financial crisis, all necessary efforts were made to avoid dismissals or salary reductions. Thus, in 2009 the number of employees remained the same as in 2008 when there have also been no dismissals. This care for employees helped us unify the team and enhance its efficiency and productivity.

3. Working and Relaxing in a Nice Way

In spring **BIOPROTECT** co-sponsored the event dedicated to the 25th anniversary of IEDERA Folk Studio, offering its employees the possibility to appreciate and rediscover the values of our folk culture and at the same time forget about the concerns of everyday life. Members of BIOPROTECT personnel enjoy corporate leisure activities; therefore the Company plans to offer more frequent possibilities of leisure and entertainment for its employees, for instance, collective rest in various entertainment areas in the warm time of the year. Wishing to show respect for and gratitude to its staff members the Company also organizes collective cultural events. Thus, 12 of the 28 employees of the Company could enjoy the performance of national and international artists at the **Platinum Wave 2009** concert organized with the support of **Radio Plai**.

4. Promoting Environmental Responsibility Initiatives through Employees

BIOPROTECT continues to apply the same preventive approach towards environmental challenges and promote environmental responsibility initiatives. In this respect the Company has changed and determined its activities in compliance with the concept of **Go Green** National Campaign aimed at promoting the ideas of environmental protection by members of the Global Compact Network Moldova. Implementation of the Three **R-s** principles (**Reduce, Reuse, Recycle**) allowed the Company to conform its activity to the basic requirements of the GCNM members' Environmental Protection Code. A more reasonable use of natural resources in 2009 allowed for reducing the costs of electric power by 19.5%, office paper by 8% and office supplies by 38.7%.



5. Environmental Responsibility as a Way to Promote Social Values

BIOPROTECT is an active participant in environmental responsibility initiatives organized within the Global Compact Network Moldova. The Company wishes its employees and clients to live in a cleaner and healthier environment. Therefore it was natural for the Company's employees to participate in the clean-up of Ciocana park in spring by collecting litter left by irresponsible visitors. Besides clean-up of the recreation area the participants involved in the event helped make and install signs with messages about cleanliness (THE PARK IS PRETTIER WITHOUT LITTER; A CLEANER ENVIRONMENT FOR OUR CHILDREN; A CLEAN ENVIRONMENT – A HEALTHIER LIFE). **BIOPROTECT** participation in the "GREEN DAY – BECAUSE WE CARE" activity in April 2008 aroused obvious interest with the Company's employees. And the following GREEN DAY held within the GO GREEN Campaign, with the assistance and active participation of Global Compact Network Moldova members, already involved 17 people as compared to 5 in 2008.

The Company's employees dedicated their day off to cleaning up the park, at the same time showing initiative, involvement and team spirit. In order to raise the society's awareness **BIOPROTECT** alongside other companies – members of the GCNM installed 30 information signs in the recreation area of **Ciocana Public Garden** and collected 2 trucks of litter.

The clean-up works were carried out again in fall – participants collected litter and raked fallen leaves in **La Izvor** park of Chisinau. The green space of the recreation area regained its cleanliness and became suitable for relaxation. Involvement of **BIOPROTECT** and other companies – members of the GCNM in the clean-up process favored both the promotion of environmental responsibility initiatives and the improvement of the community's social environment.





6. Care for the Young Generation

We continue to ensure protection of children's rights by participating in the young generation support activities, like assisting the organization of a youth talent concert within the Republican Center for Children and Youth, lead by IEDERA Ethno and Folk Studio. Thus, we supported the performance of 80 children and young people aged 4 to 22 at the concert entitled **"Intra'n casă, Neamule"** ("Come In, Kissing Kin"), held at the 25th anniversary of IEDERA Folk Studio. **BIOPROTECT** managed to assist the anniversary celebration of the folk studio whose activity revives and inculcates the values of our people through the young generation and at the same time helps support these young talents.

BIOPROTECT also shows care for orphanage fosterlings who by will of fate have been deprived of parental love. Guided by a deep respect for parents who have assumed the responsibility of bringing them up in their families, **BIOPROTECT** came with Christmas gifts to bring joy and wellbeing to children in foster families of Rezina and Floresti regions. On winter holidays the

Company's representatives brought to the 27 children in foster families of Rezina and Floresti regions toy-shaped gift sets, copybooks and pens. In this way we wanted to share the joy of Christmas and New Year with children who are deprived of the warmth of their biological parents and who really need attention, care and affection so they could live their lives with more confidence.



7. Care for Older People

The Company's guideline also necessarily implies care for older people. This year BIOPROTECT continued to support NEOUMANIST Association for Education and actively participated in organizing a celebration of the **Older People's Day** on October 1st, 2009. For this reason BIOPROTECT visited the permanent rest home ("Răsărit" and "Spectru") bringing sweets and essentials bought with money collected from the Company members, fresh grapes and apples from farms that the Company works with, and certainly joy, singing and good mood. At request and with the assistance of **BIOPROTECT** the artist Mrs. Valentina Osoianu delegated 7 of the most talented children of IEDERA Folk Studio to bring warmth and the holiday spirit to the rest homes and light up older people's faces. In this way, celebrating the **Older People's Day** together with NEOUMANIST Association for Education, **BIOPROTECT** shows care and respect for the elderly. 20 employees of the Company contributed financially to collect the necessary funds for purchasing personal goods for 20 beneficiaries of Spectru Permanent Rest Home. The company's management

doubled the amount collected from the personnel to buy food and fresh fruit and also transported the 7 children together with the artistic leader of IEDERA Folk Studio to the town of Straseni. Thus, the initiation of certain activities supporting the elderly in order to provide them with the things necessary for them to lead a decent existence still remains one of the Company's priorities.



9. Good Practices – An Important Advantage in Implementing the Social Responsibility Concept

BIOPROTECT participated in the Annual Meeting of members of the Global Compact Networks Ukraine, Belarus and Moldova, which took place on May 21st, 2009 in Kiev, Ukraine. At the meeting the founder of BIOPROTECT and the first President of the Global Compact Network Moldova held a speech on GCNM achievements and measures for combating the severest forms of child labor in the Republic of Moldova.

Speeches from *Coca Cola Ukraina*, *Savushkin Product Belarusi* and *MTS Belarusi* gave the possibility to revise the development prospects of a viable business through adequate implementation of the social responsibility concept.



Good practices of companies in neighboring countries have offered new views on CSR activity carried out by each particular company, while the experience and results achieved within the GCNM contributed to the combating of child labor both in Moldova and abroad.

As member of the Global Compact Network Moldova, **BIOPROTECT** participated in the International Conference on *Corporate Social Responsibility & Sustainable Competitiveness*, organized by UNDP Moldova, GCNM Moldova, American Trade Chamber and Eurasia Foundation Moldova. The experience and good practices of international experts from such organizations as **UNIDO**, Austria, **TeliaSonera Group**, Sweden, **CBI**, Netherlands, **Triodos Facet**, Netherlands, **CSR Development Center**, Ukraine, facilitated the understanding of new CSR concept promotion and development prospects, both within the Company and on the national level.

Contributing to the social life of the community in which we live and act we have realized that responsibility, in fact, means change. This concept, built of such simple notions as attitude, conscience, respect and sustainable development, underlines the fact that the example we can all give today is a reflection of our common future, while the involvement of each member of the society in the community's problems is a direct investment into a more prosperous future for everyone.