



## COMMUNICATION OF PROGRESS /// 2008





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Founded in 1989, headquartered in Tucumán, the North West region of Argentina, TRASUR is a Wholesale Logistic Operator engaged in the export of commodities and agroindustrial products, mainly focused in the sugar-related industry.

Currently, TRASUR is enlarging its commercial activities to embrace a variety of products, such as: cereals and oilseeds, wheat meal, fertilizers, citrus, forest products, from multiple origins and destinations.

From its beginning, TRASUR has been the representative of Marubeni America Corporation for the purchase of sugar in the regional countries. Along with its commercial activity, the logistic business was developed, until it became the main activity of the company.

In the past, TRASUR was an innovator with its multi-modal freight, which combined the use of trucks, trains and barges for exporting sugar and alcohol from Bolivia through the Paraguay-Paraná Waterway. Recently, the company launched its door-to-door service from Paraguay to the United States through Iquique (Chile) crossing the Andes through the Paso de Jama (Jujuy). At present, our emphasis is on innovation and the development of new services supported by the use of advanced Information Technologies and better practices.

The company's goal is to become foremost in the market, providing comprehensive logistic and marketing solutions, integrating both providers and clients in its activities, within a framework of social and environmental responsibility.

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## Corporate Profile

## Adherence to the Global Compact

### STATEMENT OF SUPPORT TO THE GLOBAL COMPACT:

"Trasur is a family business which develops its activities in a region of our country (NW) with important deficiencies, and so is deeply committed to the aspects on which the Global Compact is focused, to wit, the Environment, the market, the workplace, and the community. We firmly believe that our support to both the initiatives and the principles of the Global Compact within our scope of influence might become a catalyst for other businesses, corporations and individuals to understand and be motivated to search for a positive change to sustain human actions and the environment for generations in the future.



With the ISO:9001:2000 certification in 2006, our company started its trip towards continuing improvement, integrating the vision of processes, setting of goals and the measurement of results, which has undoubtedly been of great significance in order to be able to face our duties aiming at implementing the Global Compact Principles."



Eng. Ricardo Forenza  
President TRASUR SA.-

### GLOBAL COMPACT PRINCIPLES

- Human Rights protection:** Businesses should support and respect the protection of internationally proclaimed human Rights.
- Non-complicit in human rights abuses:** Businesses should make sure they are not complicit in human Rights abuses.
- Freedom of association and recognition of the right to collective bargaining:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- Forced and compulsory labour:** Businesses should uphold the elimination of all forms of forced and compulsory labour.
- Child labour:** Businesses should uphold the effective abolition of child labour.
- Discrimination:** Businesses should uphold the elimination of discrimination in respect of employment and occupation.
- Precautionary approach to the environment:** Businesses should support a precautionary approach to environmental changes.
- Environmental responsibility:** Businesses should undertake initiatives to promote greater environmental responsibility.
- Environmentally friendly technologies:** Businesses should encourage the development and diffusion of environmentally friendly technologies.
- Anti-Corruption:** Businesses should work against corruption in all its forms, including extortion and bribery.





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## Quality Policies

### QUALITY POLICIES DETERMINED BY TRASUR

"We uphold the culture of customer satisfaction as the framework of reference which guides each one of the activities of our company constantly, in order to define and adapt ourselves to our customers' needs and expectations."

The Quality Management System adopted by TRASUR defines its Quality Policy based on the following principles:

Service quality measured by external customer satisfaction is our essential, permanent and high-priority objective.

Establishing efficient communication channels with our customers who foster integration.

Search for the efficiency and continued improvement of our processes by means of the quality management system and our internal management system.

As a service company, our human resources are a fundamental factor for the implementation, maintenance and improvement of the quality management system, as this can only be achieved with excellent communication, active participation and team-work at every level of the company.

Integrate our suppliers as part of our quality commitment so that they become another link in the customer service chain, based on the principles of joint cooperation and synergy for the development of our common interests.



**Being a company within the group of Small and Medium Size Enterprises, Trasur has decided, for its first Communication on Progress (COP), to focus on the following areas:**

Labour law - Employees  
Transportation suppliers  
Environmental responsibility

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**Measures implemented and measurement of results**

Nevertheless, Trasur is aware that the commitment undertaken by its adherence to the Global Compact entails moving forward on all the principles; a task that it will go assuming progressively and which will be reported on in upcoming COPs.

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TRASUR considers that it is difficult to have satisfied customers without first having satisfied employees and suppliers. In 2006, at the start-up of its Quality Management System (QMS) in accordance with ISO: 9001:2000 standard, the company incorporated work by processes and the management of performance indicators.

Make an inventory of its employee's training needs at the beginning and at the closing of the campaign.

Draw up an inventory of needs.

Establish a ranking of suppliers.

Draw up a training program and choose the pertinent institutions.

Keep a system of incentives to drivers for greater cargo volumes for each campaign.

Implement the pertinent programs in the selected institutions.

Carry out annual surveys to measure the level of satisfaction of our suppliers.

Carry out surveys to measure employees' level of satisfaction.

Show good manners and respect for drivers, making them feel as having a significant role within the company.

Take the relevant corrective actions.

Assess the working elements for each position.

Increase the base of local and regional suppliers.





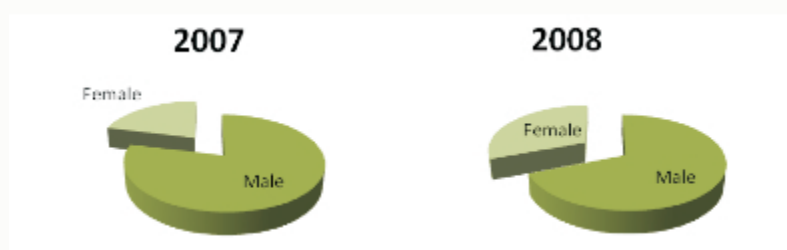
**TRASUR, has permanent staff (twelve direct employees) and contracted staff for the campaign months. Even though most of the members of the staff are men, the company supports the freedom of hiring, without distinctions.**



#### PROPORTION OF EMPLOYEES ACCORDING TO GENDER

Fuente: Plantilla personal Trasur SA año 2008

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In 2008, through Sonnenfeld Consulting, a survey was carried out amongst our employees to assess their level of satisfaction. This survey allowed spotting points to be improved upon in the working environment of the company and contributed in an effective manner to the analysis of the level of remuneration for each of the positions surveyed.

#### Analysing the results of the survey:

A general salary increase was put into force.

The payment of wages by means of banking transfers to a “Wages Banking Account” was implemented. This new modality also provided other benefits to our employees, such as discounts, access to pre-approved loans, credit cards, amongst others.

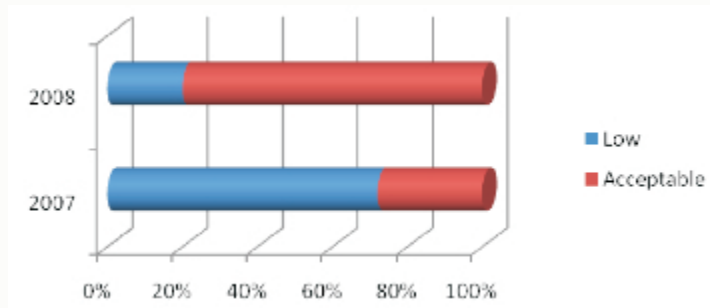
The bonus system in the operating sector was re-designed, by associating the results to individual and department-wide performance separately.

A one day Workshop was carried out, within which each sector presented the work accomplished during the last campaign, objectives met, and described the goals set for the current year (2009).



### LEVEL OF CONFORMITY WITH WAGES

Source: Results from the survey made on employees in 2008, conducted by Lic. Verónica Velásquez, Sonnenfed Group. Results of the Organizational Environment Survey 2009, ISO 9001:2008 standard.



One of the corporate goals is focused on assessing the training needs of the employees, so as to be able to acquire the tools required for an improved management and individual performance within the organization, as part of TRASUR's quality policy.



	ANNUAL GLOAL	RESULTS
Training provided to TRASUR employees	150 Hours.	227 Hours.

Source: Audit, 2009, ISO 9001:2008 standard.

Employees working in the operating sector are subject to a higher labour pressure during the high season months (May-December) due to continued operations 7 days a week without a break. Apart from a schedule which includes shifts to attend to operations on weekends and national holidays, TRASUR compensates its employees with two (2) additional weeks of holidays, over and above those given pursuant to the law.



# SUPPLIERS

One of the motor drives of the corporate daily operations is its suppliers. Some campaigns back, TRASUR decided to increase the load share of medium and small cargo suppliers, being defined as such truckers with up to 10 trucks in their fleets. Likewise, Trasur intends to increase the share of local carriers and those from the North Western Region of Argentina.

## TRUCKER'S SHARE ACCORDING TO ORIGIN (PROVINCE – REGION)

Source: Trasur S.A. database



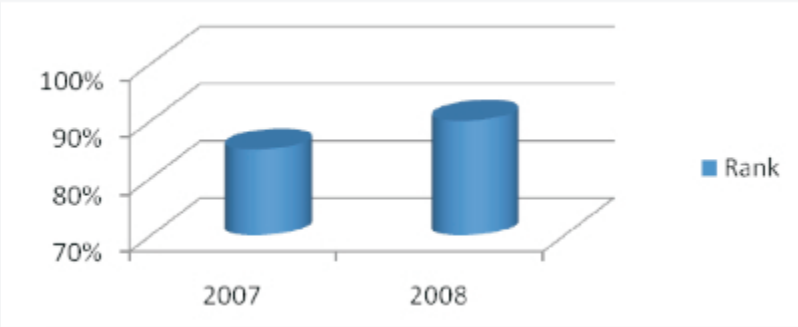
CAMPAIGN	2006	37%
	2007	78%
	2008	87%

(Source: Trasur S.A. database )

As part of the review carried out by the Management of the 2008 campaign, a survey was carried out to establish the satisfaction of 24 key suppliers (truckers that made at least 20 trips during the campaign), randomly selected from the database. Key suppliers (61 companies out of 587) accounted for 58% of the cargos in the 2008 Campaign.

The satisfaction survey showed a positive result, with an average rate of 3.6 (within a range of 1 to 4; 4 being the highest mark) for the functions assed,

## LEVEL OF SATISFACTION OF TRASUR ´S SUPPLIERS



Source: Supplier satisfaction Surrey – ISO 9001:2008 standard

showing a 0.2-point improvement over the 2007 Campaign.

23 out of the 24 companies surveyed answered that they would work for TRASUR again (with one abstention). The answers also allowed for the confirma-

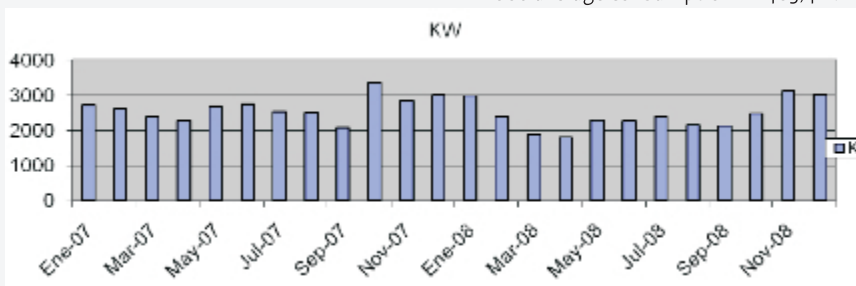
tion of how the truckers that worked for us highly appreciated the decent treatment they received from the company staff.



## Environmental Responsibility

Within our offices, we tried to raise awareness regarding the efficient use of electricity, even though the use of power is really important for our everyday activities, a controlled consumption is attainable. Thus, an almost 9% reduction in KW consumed was attained, compared to the consumption in 2007.

2007 average consumption = 2638,08kw  
2008 average consumption = 2403,42kw



Source: Consumption recorded in accordance with EDET SA invoice  
(The electricity distributing company in Tucumán).

## NEXT STEPS

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The company operations have an impact on the environment mainly through the emissions of CO<sub>2</sub> generated by the trucks hired for the transportation of goods.

Taking into account the consumption parameters of an average truck as hired by TRASUR, including the distance travelled per campaign-year, CO<sub>2</sub> emissions for the last three campaigns were estimated (2006, 2007 and 2008).

TRASUR tries to combine both its economic growth and environmental care. To this end, as a main commitment over the medium term, TRASUR is focused on acting and compensating the impact resulting from these emissions. Currently, we are working on several projects; such as the use of biodiesel added as a mixture to the fuel to be supplied annually to truckers, thus achieving a reduction in emissions; as well as cooperating with actions for the prevention of global warming, by means of forest plantations that allow the fixing of Greenhouse Effect Gases (GEG). Achieving the status of neutral carbon is a corporate goal.



Amongst other goal proposals for 2010, in order to improve or preserve the company's level of customer satisfaction, we can mention the development of the project: "More Entertainment = More and Better Work" which involves the development of an entertainment plan including both company employees and managerial staff, aimed at providing distraction spaces during the working day, mainly in the months of the high season; improve interpersonal relationships by means of conversations, discussions, theatre techniques, exhibitions. Achieve uniting all the sectors and levels of the firm: Operative, administrative and managerial to

obtain an enriching communication within the company. The principal objective of this plan is to achieve both a psychological and social improvement of both workers and managerial staff in the company, with the short term objective to improve the quality of work in the company.

With the development of the Progress Communications (COP), TRASUR shows its commitment towards the principals of the Global UN Pact. Without a doubt much remains to be done; however, it is hoped that the initiatives might bring new seeds and more relevant actions within the company's groups of interest.

