

Communication on Progress 2015



SCOPE OF THE REPORT

This report includes the actions carried out by Tradecorp in 2015. This report is divided into three parts:

Part I includes the letter of renewal of Tradecorp's commitment presented by the CEO to the Global Compact together with a descriptive profile of the company.

Part II includes a description of Tradecorp's philosophy regarding Corporate Social Responsibility and an in-depth analysis is made of the actions carried out in 2015 in relation with the 10 principles of the Global Compact.

Part III measures the results obtained during 2014 using the Global Reporting Initiative (GRI) indicators, their relation with Global Compact principles and Tradecorp internal indicators.

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Letter of commitment from the CEO

Dear stakeholders,

Once again this year we comply with the commitment that we took on when joining the Global Compact and we present our Communication on Progress 2015, which explains the main actions carried out in the field of Corporate Social Responsibility during this year. And, once again, as the executive director of Tradecorp, I am pleased to express our interest and our commitment to the United Nations Global Compact and its 10 principles. We are interested in continuing to renew our commitment year after year and to progress with the application and enacting of these 10 principles within our area of influence.

In 2015, Tradecorp celebrated its 30th anniversary. Since its foundation in 1985 in Spain, Tradecorp has focused on the development of innovative, high quality and efficiency products, as well as offered a professional, personalized and approachable technical service. Now, sustainability and the corporate social responsibility are completely integrated in the strategy of the company and they occupy a key place.

With regard to Corporate Social Responsibility, 2015 has been a year of transition. At the beginning of 2015, we created a Corporate Social Responsibility Working Group with members from different countries, and which counted on the support of other departments to advise in the most specialized topics. This Working Group analyzed the current situation of the company and proposed improvements in terms of policies and actions, which are currently in process.

In addition, we have started working on a new Code of Conduct that will be presented in 2016. The new document will be more specific because it describes in detail the most usual situations that the Tradecorp team encounters and explains how to proceed in each case. We are also working on the implementation of a solid Complaints System in order to prevent and detect any possible crimes and breaches of the Code of Conduct that may take place within the company scope.

Thus, following on from the work started in 2015, we trust that 2016 will be a year full of challenges in Corporate Social Responsibility. I am confident that the implementation of these new policies and actions will prove to be a great success for our performance in the CSR area and we are eager to continue the hard work to keep improving year after year.

Yours faithfully,

Nicolas Lindemann
Executive Director



Description of the company

Tradecorp

Tradecorp is a Spanish company, which, since it was founded in 1985, has been developing its activities in the agricultural sector. Thanks to our long history, we have gained broad experience in the field of crop nutrition, particularly in the segment of micronutrients and special fertilisers.

MISSION:

To be a leading example to both distributors and growers as a producer of innovative speciality products. This is achieved through the commercialisation of high quality, speciality products and services, which maximize value for its customers, employees and shareholders.

VISION:

To be a quality and professional reference in the micronutrient and speciality fertiliser global market, achieving excellence in service and increasing added value for our customers.

Tradecorp: a Sapec group company

In the year 2000, Tradecorp integrated into the Sapec group, a company established in 1926 in the chemical and mining sector. Since its foundation, the group has been expanding its activities into various industrial and services sectors within the Iberian Peninsula.

The incorporation into the Belgian group broadened Tradecorp's perspective even more by combining the enterprising spirit of the group with our know how within the agricultural sector.

Today Sapec is an industrial holding company with a large portfolio of activities:

- Agro-business: crop nutrition and crop protection
- Industrial chemicals and environment
- Agro-commodities distribution
- Logistics
- Others

Sapec Agro-business: Crop nutrition and protection

Tradecorp forms part of Sapec Agro-business, the business unit overseeing crop protection and nutrition.

Four pillars constitute the basis of the corporate strategy where plant protection and nutrition are concerned:

- International and highly qualified personnel
- Priority of R&D, innovation and registrations
- Distinct, high quality products and services
- International expansion

Service and proximity to the market are key elements of the company's strategy. The group is present worldwide through subsidiaries, offices, factories and in particular through its experienced personnel adapted to local markets.



Tradecorp's strategy

To comply with our mission and our vision we have developed a work model which is based on 5 different cornerstones to help us become a point of reference regarding quality and professionalism within our sector and to ensure we offer an excellent service.

- Our team

One of the main values and one of the most differentiating elements in Tradecorp is its team.

Consisting of more than 200 professionals from different countries and cultures, the technical and local teams in each area offer farmers and distributors a close, professional and customised service.

- Our R&D policy

The development of sustainable and effective products permitting an increase in yield and quality of harvests is one of Tradecorp's priority objectives.

Therefore, research and development of new products has always been one of Tradecorp's characteristic features.

- Our continuous work for quality & efficacy

We undertake to offer the highest quality in our products and services.

To do this, we implemented a Quality & Environmental Management System, certified according to ISO 9001:2008 and ISO 14001:2004 by DNV.

- Versatility and technology of our factories

In our line of continuous technological improvement, we implement ever more efficient technologies which respect the environment and which have allowed us to increase our production capacity.

- Our focus on sustainability

We are concerned with complying with human and labour rights, with the conservation of the environment and the sustainable use of natural resources.

Therefore, among our maximum priorities is compliance with REACH, we respect and promote the principles of the United Nations Global Compact, we are ISO 14001:2004 certified, many of our main products have been approved for Organic Agriculture and we are members of Globalgap.



Our catalogue of products

Our catalogue consists of products of the highest quality with formulas for all kinds of crop and adapted to local agricultural conditions. As a result of our commitment to sustainability, many of these have been approved for Organic Agriculture. Our solutions are grouped in the following ranges:



The most efficient solution to prevent and correct micronutrient deficiencies

Tradecorp's chelates guarantee proper absorption and assimilation of micronutrients by crops, thus avoiding possible precipitation or forming of insoluble products that could decrease their effectiveness.

- Protection of the element from interactions with other charges from soil or water
- Maximum level of chelation
- Micronutrients richness guaranteed
- Easily assimilated by the plant
- Greater versatility in application and compatibility
- Greater efficiency and maximum security
- No problems of phytotoxicity, nor burns or damage
- Optimum stability in a wide range of pH
- Easy to use: soluble microgranules (WG)
- Rapid and instantaneous solubility in any kind of water without forming lumps or sediments
- Possibility of developing and manufacturing custom made solutions

Some of our trademarks: Ultraferro, Tradecorp range and Tradecorp AZ range.



Integral improvement of soil fertility

Range formulated with an optimum balance between humic and fulvic acids. It provides a complete improvement of soil fertility.

- Positive effect on its physical characteristics (structure); chemical characteristics (greater availability of nutrients) and biological characteristics (increase in microbial life)
- Improved root development
- Greater availability of nutrients
- Increased nutrients' uptake
- Maximum quality of raw material: American Leonardite, to maintain always the same guaranteed contents

Some of our trademarks: Humistar-Humifirst range, Humical, Turbo Root.



Stimulation of the plant's natural processes

The products in this range stimulate the plant's natural processes to improve the absorption of nutrients and their effectiveness, favouring the plant's tolerance to abiotic stress.

Its specific mode of action encourages the physiological processes in plants in critical periods of crop development, such as budding, rooting, flowering or maturing.

This range includes biostimulants based on Gentle Extraction of seaweeds and/or L-α free amino acids enriched with essential nutrients.

- Some of our trademarks: Delfan range, Aton range, Ruter AA, Boramin Ca, Phylgreen range.



Differentiated formulas for foliar application

Range of differentiated formulas, highly concentrated in micro and macronutrients. It is developed to meet specific needs of crops which influence quality and yield, such as the protein content, sugar level, fruit size, photosynthetic activity, etc.

Foliar application benefits:

- Foliar is sometimes an alternative but it is always an ideal complement
- Optimize the supply of each nutrient correcting and preventing deficiencies
- Ready to use and to spray
- Quick penetration into leaves
- High translocation of nutrients
- Small split specific and special application on target organs

Some of our trademarks: Final K-Fainal K, Folur, Tradebor, Calitech, Magnitech, Twintech Zn+Mn, Phostrate range, Trafos range.



State-of-the-art NPK

NPK

Range of formulas adapted to the nutritional requirements of crops in different stages of development for any fertigation system or foliar application.

- Sources of high purity
- Exclusive production processes
- High solubility
- Free of chloride and sodium
- Acid pH, Low electrical conductivity (EC) and low salt index (IS)
- Balanced concentration of macronutrients, enriched with micro nutrients chelated by EDTA

Starters

- High quality raw materials with the highest concentration of phosphorus and potassium 100% available for crops
- Application at sowing or transplanting
- Phosphorus: to boost root growth improving the potential final yield
- Potassium: to increase resistance to water and cold stress and to enhance plant strength

Some of our trademarks: Nutricomplex range, Pumma range, Turbo Seed Zn, Seed Sprint.



Innovative solutions to correct specific problems

Innovative and differentiated solutions for specific needs such as problems:

- related with salinity and sodicity in soils
- pH regulation for the correct conditioning of spray solutions and irrigation water

Some of our trademarks: Saltrad, Lower 7, Spray Plus.



Scope of the report

This report includes the main actions carried out during the year 2015, with special emphasis on the actions carried out from headquarters and factories. In the latter, we have paid special attention to environmental issues.

The actions in the following part are identified with the principle and area of the Global Compact they represent. The following symbols are used to identify the area in the principles of the Global Compact:

-  Human Rights
-  Labor Rights
-  The Environment
-  Anti-corruption

Our perception of Corporate Social Responsibility

Corporate Social Responsibility in Tradecorp can be seen in all we do and in the day to day running of the company and it is an essential part of the company's strategy. We comply with the laws of the countries where we operate, together with international norms such as the Universal Declaration of Human Rights and the Human and Labour Rights established by the International Labour Organisation.

Furthermore, we analyse and carry out actions that allow us to improve the safety and quality of life within the company, and we comply with our commitments to the communities where we operate and with society as a whole. The establishment of a Code of Conduct has likewise allowed us to organise and regulate our ethical principles, converting them into obligatory standards within the company.

Our groups of interest

In order to select Tradecorp's groups of interest, we have chosen those groups where the company's activity has the greatest repercussions. The following groups of interest have been defined:

- Suppliers and partners
- Employees
- Clients
- Society in general

APPLICABLE PRINCIPLES: All



Diagnosis

Over recent years we identified the need for better coordination between the head office and regions of Tradecorp in various aspects, so as to optimise efforts and costs on different projects.

Within the Corporate Marketing area, the Corporate Marketing Committee has been set up, with representatives from each Tradecorp region. This group has identified the need to address Corporate Social Responsibility with greater coordination, and has so decided to set up a global working group for the international management of Corporate Social Responsibility.

Policy

This group is governed by the policies already defined at the company, the Roadbook, Code of Conduct and other policies within the field of Corporate Social Responsibility applied at Tradecorp.

Actions

The creation of the Corporate Social Responsibility working group represents a debate forum to discuss policies and actions within the context of Corporate Social Responsibility, which will subsequently be referred to the Marketing Committee and to the CEO for approval.

The working group includes representatives of different offices, with extensive experience in the field of Corporate Social Responsibility. For individual actions or projects, the group also draws on the collaboration of guest members, either completely external to Tradecorp, or from other departments. These guest members are experts providing the group with consultancy regarding more specialised matters.

The creation of this group has allowed for the development of CSR actions included within this progress report. New needs and opportunities have likewise been detected in the Corporate Social Responsibility area, and work has begun to address these new actions and policies. The group's activities likewise include the coordination of CSR actions of the global level.

Monitoring

In 2015, two meetings of the Marketing Committee were held, along with periodic meetings of the new Corporate Social Responsibility working group.



APPLICABLE PRINCIPLES: 1, 2, 4, 5 & 6



Diagnosis

Corporate Social Responsibility ties in with Tradecorp’s corporate strategy, and so is linked to all the actions we undertake. We comply with the laws of the countries where we are present, in addition to such international standards as the Universal Declaration of Human Rights and the Employment Rights established by the International Labour Organization.

We likewise aim to extend this responsibility within our sphere of influence, and so have developed actions involving suppliers and the community at large.

Policy

Donations to charities and institutions are based on the values conveyed in our Code of Conduct.

Actions

In addition to our internal actions to respect the principles of the Global Compact, we have developed initiatives allowing us to publicise these principles among our suppliers, along with initiatives addressing the community to which we belong. Tradecorp has in this regard chosen to support institutions that safeguard human rights and employment rights.

Each year Tradecorp stages the Tradecorp Fitness Challenge, motivating the team to exercise and stay healthy. The Tradecorp Fitness Challenge is also linked to a charitable purpose, since for every kilometre that the participants cover, Tradecorp donates €1 to the charity or institution chosen by the members of the winning team. In 2015 the donation amounted to €3000, allocated to the Mexican non-profit civil association CANICA (Support Centre for Children with Cancer), an organisation that provides comprehensive support for children and young people with cancer, and offers advice to their families.

In 2015, Tradecorp continued to support the educational project undertaken by the Kanchay charity in Bolivia. The organisation works to provide the children of farmers in the Altiplano uplands with access to comprehensive education. Through its donation, Tradecorp will be supporting the university studies of 8 youngsters from the Altiplano region.

For the third year running, Tradecorp is staging its Operation Kilo, inviting the team to donate non-perishable foodstuffs to be handed over to Cáritas, the official confederation of charitable and social initiative entities of the Catholic Church in Spain. For every kilogram donated by the team, Tradecorp undertakes to donate another, so as to double the aid received. Thanks to this initiative, in 2015 Cáritas received 1528 kg of food to be distributed among needy families.

In 2015 it was decided to invest less in the New Year greeting, and instead to stage a campaign with a cause linked to a donation to UNICEF. To mark the 30th anniversary of Tradecorp, representing our growth in the marketplace, we decided to help underprivileged children to grow. This was the concept behind a campaign with the slogan “Tradecorp wants to help less fortunate children grow”. For each individual registering Tradecorp donates €2 which will allow integral treatment for severe malnutrition for 2 children for 1 day. In addition, Tradecorp donated a fixed amount of €1,000. The campaign, comprising an e-mailing, landing page and announcement on the corporate websites, is rolled out in 6 languages: Spanish, English, French, Italian, Portuguese and Arabic.

Monitoring

- €3,000 donation to CANICA (Support Centre for Children with Cancer), a Mexican organisation providing comprehensive support for children and young people with cancer and offering advice to their families.
- €4,000 donation to the Kanchay charity to sponsor an educational project in Bolivia.
- Donation of 1,528 kg of non-perishable foodstuffs to Cáritas, distributed as follows:
 - Cáritas, Nuestra Señora de las Angustias Parish, Albacete: 300 kg, 150 kg donated by the team and 150 kg donated by Tradecorp.
 - Cáritas, El Salvador de Arévalo Parish: 988 kg, 494 kg donated by the team and 494 kg donated by Tradecorp.
 - Cáritas, Santa María Josefa del Corazón de Jesús Parish, Vallecas (Madrid): 240 kg, 120 kg donated by the team and 120 kg donated by Tradecorp.
- €1,000 donation to UNICEF, within the context of the New Year campaign entitled “Tradecorp wants to help less fortunate children grow”. The donation corresponding to the number of people registering for the campaign will be made in 2016.



APPLICABLE PRINCIPLES: 6



Diagnosis

In the processes of selecting its personnel, Tradecorp employs objective criteria, such as training and experience. Nonetheless, in order to ensure our compliance with Principle 6 of the Global Compact, each year we analyse the company’s diversity indicators.

Policy

This initiative is based on Principle 6 of the Global Compact, and on the policy established in our Code of Conduct, which clearly states that “discrimination will not be tolerated under any circumstances, whether based on race, gender, religion, creed, national origin, age, sexual orientation, physical or mental disability, family situation, political opinion or any other aspect that could entail discrimination”.

Actions

Our study of diversity indicators analyses two factors: gender and age.

Monitoring

We analysed the entire workforce of Tradecorp, considering all its global offices and factories.



APPLICABLE PRINCIPLES: 3, 4, 5 & 6



Diagnosis

Tradecorp is a company committed to respect for human and employment rights. The Human Resources programme launched by Tradecorp goes beyond respect for these rights, aiming to understand the working environment in the workplace and how the people belonging to the team feel, and to implement personalised programmes allowing each individual to develop professionally.

Policy

These actions are based on the Tradecorp employment policy, as laid down in the Code of Conduct and in the Roadbook.

Actions

The programme aims better to understand the company’s human resources, providing an insight into strengths and weaknesses, motivations and expectations at work, allowing this knowledge to be interlinked with the strategic objectives of the company, by fostering the professional development of every individual at Tradecorp.

The HR programme was launched in 2012 with a series of personal interviews. It continued in 2013 with the planning of interviews along with the launch of a new project, the “Performance Management Programme”, developing a model to analyse the performance of each individual at work in a qualitative and quantitative manner, promoting professional development in the

workplace. In 2014 the knowledge generated during 2012 and 2013 was expressed in Ghrowing, a programme helping to breathe life into our corporate values, promoting a results-focused culture and a style of management focused on personal development.

The system provides us with the tools to evaluate both qualitative performance and quantitative objectives, allowing us to establish clear communication as to the goals and objectives established for the whole organisation.

The Ghrowing programme was consolidated in 2015, with the participants beginning to work on the different phases of the programme so as to achieve the objectives set.

Monitoring

The number of participants in the Ghrowing programme was maintained in 2015 (75 people) in Colombia, Mexico, Spain, Italy and ESA (Europe and Sub-Saharan Africa) region. The programme is advancing in the different phases established, with an initial review being performed in 2015 as to the progress towards the objectives set in early 2015.



More good practices

Working climate survey

Continuing the work begun in 2014, in addition to the Ghrowing programme, Tradecorp Mexico performed a quick survey to evaluate the working climate at the company.

The survey involved 100% of the Tradecorp Mexico team, the key results being as follows:

- 93% of employees know what is expected of them in their work
- 93% believe that the company offers them the equipment and material they need to perform their work
- 93% trust in the leadership in place at the company

- 91% feel that their boss or a colleague in their area takes an interest in them individually
- 91% know that their opinion is important



APPLICABLE PRINCIPLES: 4



Diagnosis

In line with our Code of Conduct, safety at work is a priority for Tradecorp. Constant work is therefore undertaken to evaluate occupational risks at our factories, in order to reduce risk, and ultimately the possibility of accident and injury.

Policy

Safety at work is established in the Tradecorp Code of Conduct, which indicates that Tradecorp “guarantees respect for human rights and places a particular emphasis on the working conditions of its employees and the inherent health and safety conditions of their professional activity”.

Actions

A study into occupational accidents was conducted in 2015, analysing in detail those occupational accidents that occurred during the year. The aspects of each accident analysed included whether the accident was serious or minor, the reasons behind the accident, and other data of interest in order to reduce occupational accidents.

With the aim of reducing occupational accidents, employee training initiatives were staged during 2015, focusing on occupational risks at the Sanchidrián and Albacete factories in Spain.

Monitoring

This study covered 100% of employees at our production plants in Albacete and Sanchidrián in Spain. The study covered only employees at the factories, as the tasks they perform entail a greater risk of occupational accident.

The figures registered for 2015 were:

- Minor accidents: 7.7%
- Major accidents: 1.4%

This figure reveals the evolution of risks compared with previous years:

	2011	2012	2013	2014	2015
Minor accidents (%)	16.3	5.8	8.94	4.8	7.7
Major accidents (%)	2.9	0	2.44	0	1.4

More good practices

“Live Healthy” Programme

In 2015, Tradecorp, Mexico launched the “Live Healthy” programme, comprising three different sections focused on looking after our health:

- Prevenimss: This initiative brings the IMSS (Mexican Social Security Institute) programme to the premises of Tradecorp Mexico. The programme comprises a health check-up for the team, including vaccinations, weight and triglyceride checks, and general education about sexual and dental health. The initiative involved 87% of the team.

- Learning to feed my body: The aim of this initiative is to educate the team through nutritional and psychological talks and workshops connected with the impact of dietary habits on health.

The programme also includes fortnightly visits by a nutritional specialist, providing the team with access to nutritional advice at an affordable cost.

- Active Breaks: This comprises a series of exercises and stretches taking just a brief moment, to reduce physical and mental fatigue by caring for workers’ health and well-being.

Everyone Safe at Tradecorp

The main aim of this programme is to raise awareness as to the importance of road safety. This covers various actions:

- Road safety education campaign, sent out to 100% of the team.
- Development of a responsible driving policy, signed by 100% of the team with

responsibility for a vehicle.
- Training delivered to 100% of workers with responsibility for a vehicle: “Defensive Driving”.



APPLICABLE PRINCIPLES: 1, 8



Diagnosis

Product information is no longer simply based on recommendations for usage, efficacy or composition. Today, product safety information has acquired vital importance.

In order to standardise criteria as to the hazardousness of chemical products, in 2002 the United Nations set up the Globally Harmonized System (GHS) of Classification and Labelling of Chemicals. Implementation of the GHS in all member states of the United Nations is being performed over various phases.

Policy

The Tradecorp Code of Conduct establishes our commitment to comply with all regulations and laws governing chemical products that apply in the different countries. In this same document, Tradecorp declares its commitment to work with clients, suppliers and colleagues to foster safe and efficient use of its products. We likewise undertake to provide effective and transparent notification of any possible risks associated with the use of our products.

Actions

- Various actions have been undertaken for product classification at Tradecorp:
- Analysis of the inventory of available products and their composition so as to verify in the European databases whether the substances in the products have any established hazardousness. In those cases where it is not possible to establish hazardousness by means of the standard process, a specific study is undertaken in order to perform the relevant evaluations.
 - So as to ensure the hazardousness analysis of all products, this process is also included within the development procedure for new products.
 - So as to ensure that information on the hazardousness of our products is kept up-to-date, a review of the databases is also undertaken periodically.

Monitoring

Following the analysis of the inventory and the incorporation of the process within our new product development procedure, all products launched on the market by Tradecorp have now their hazardousness analysis completed in accordance with the CLP regulation. Meanwhile, in order to keep the information updated, reviews of the European scientific databases are periodically conducted.

Tradecorp has also begun work on the next step, by studying other legislations within the common GHS framework, so as to adapt information on product hazardousness to destination countries. The implementation of this second stage is planned for 2016.

APPLICABLE PRINCIPLES: 1, 8



Diagnosis

Safety data Sheets (SDS) have become one of the most dynamic and significant documents in terms of compliance with the chemical safety standards in force worldwide. The SDS is a true reflection of the level of commitment by companies to environmental and occupational safety laws.

Following on the work begun with product hazardousness classification, Tradecorp, complying with its commitment to transparency, embarked on a project to develop safety data sheets for its entire product portfolio, and not only those required by law.

Policy

This action is based on the guidelines set out in the company's Code of Conduct, establishing an undertaking to work towards safe and efficient usage of products, and to provide effective and transparent notification of any possible risks associated with their usage.

Actions

- To ensure that all products marketed by Tradecorp are used safely, both at work and in environmental terms, as with the “Product hazardousness classification” initiative, this action is also being performed in two stages:
- An initial stage analysing the entire Tradecorp product portfolio and developing the SDS for all products in the catalogue.
 - A continuation stage in which, the SDS generation is included within the new product development procedure, so that we can guarantee that all the products in Tradecorp catalogue have the corresponding safety data sheet in place.

Monitoring

At present all products marketed by Tradecorp, including hazardous and non-hazardous products, have their corresponding safety data sheets.

- Meanwhile, a series of actions undertaken continuously serve to keep this information up to date:
- The incorporation of the analysis and SDS development within the new products procedure guarantees that all products launched in the future will have their SDS.
 - So as to guarantee the accuracy of the information, continuous monitoring is conducted of the applicable laws regarding safety data sheets.
 - In addition to adaptation of the SDS to those markets where we have a presence, we are working on the generation of versions in different languages for those new markets we are breaking into.





APPLICABLE PRINCIPLES: 1, 8



Diagnosis

The REACH regulation governs the usage of chemical products in Europe, with the aim of guaranteeing a high level of human health and environmental protection.

The presentation of registration dossiers is the main REACH implementation task, for which 3 milestone dates have been established: 2010, 2013 and 2018. Those products affected by this Regulation and which have not been duly registered may no longer be manufactured or marketed in Europe.

Policy

The Tradecorp Code of Conduct establishes our commitment to comply with all regulations and laws applicable in the different countries. Meanwhile, as signatories to the Global Compact, we are committed to performing actions to support environmental protection. As a result, compliance with REACH is one of Tradecorp's main priorities.

Actions

- Work connected with REACH at Tradecorp has been conducted in various stages:
- In 2008 an analysis was performed of the entire Tradecorp product portfolio, so as to define which products would be affected by REACH. This information and the number of tonnes manufactured served to define the date of registration for each product affected.
 - In 2010 those affected products manufactured in quantities greater than 1,000 tonnes per year were registered.
 - In 2013, registration was then performed of products manufactured in quantities of more than 100 tonnes per year.

We are now working towards compliance with the 2018 deadline, when all products marketed in volumes of more than 1 tonne per year must be registered.

Monitoring

Following successful compliance with the 2010 and 2013 deadlines, we are currently working on compliance with the next deadline, set for 2018, along with the registrations that occasionally arise through new products of which we market more than 100 tonnes per year.

APPLICABLE PRINCIPLES: 7, 8 & 9



Diagnosis

Given our commitment to protecting the environment and the sustainable use of natural resources, Tradecorp works on the development and manufacture of products that comply with our quality and efficacy criteria, but which are also environmentally friendly.

As a result, the formulation and development of products suitable for Organic Agriculture represents an important part of our work, resulting in a high percentage of sales of our products suitable for Organic Agriculture.

Policy

This initiative corresponds to the guidelines laid down in our Code of Conduct and is consistent with the principles of the Global Compact connected with environmental protection.

Actions

In 2006, Tradecorp began to work to achieve approval of products suitable for organic agriculture by recognised entities. This recognition would provide farmers with the additional guarantee that the products they use comply with the requirements for

usage in Organic Agriculture. So as to ensure that our products are suitable for organic agriculture not only globally but also locally, the number of organizations we work with and which have approved our products for organic agriculture is increasing year by year.

In 2015, many of our main products were authorised for organic agriculture by Ecocert Ibérica, which performed a technical verification of our products, a complete audit of our production plants and a comprehensive and *in situ* analysis of our production processes.

We also have organic products registered in accordance with local legislation in Italy and Korea, and have obtained approval for Organic Agriculture products issued by such other entities as the OMRI (Organic Materials Review Institute) and Australian Certified Organic.

Monitoring

- In 2015, Ecocert authorised:
- 95 of our brands for use in Organic Agriculture, complying with European standards
 - 19 of our brands for use in Organic Agriculture, complying with NOP standards
 - 38 of our brands for use in Organic Agriculture, complying with European and NOP standards

The importance of our portfolio of products for Organic Agriculture can also be seen in our sales. In 2015, 53.41% of our sales corresponded to brands authorised for Organic Agriculture.



APPLICABLE PRINCIPLES: 7 & 9



Diagnosis

Analysis of consumption, reuse and recycling of water is of vital importance for Tradecorp, when analysing our impact on the environment. Due to the nature of our activity, the highest water consumption occurs at our factories, where we work to optimise the use of this natural resource and guarantee that discharges of water are not harmful to the environment.

Policy

This action is performed in accordance with our Code of Conduct, our Environmental Management System, certified under ISO 14001:2004, and the principles related to environmental protection in the Global Compact.

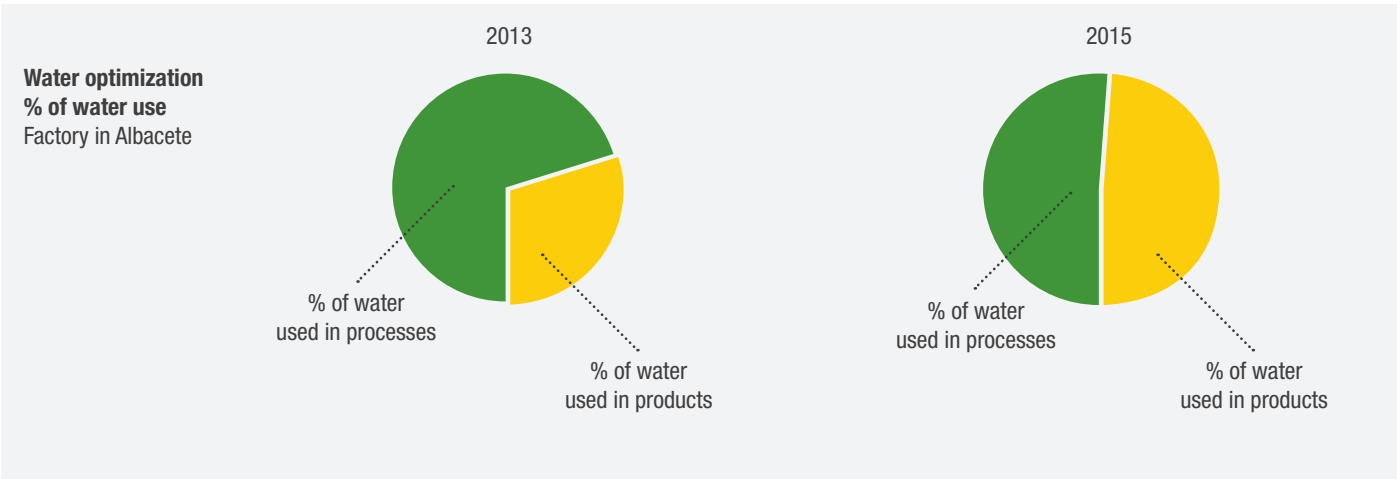
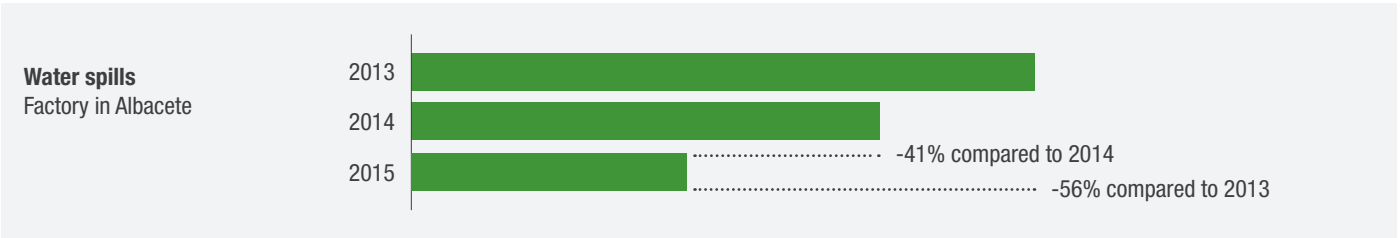


Actions

- In 2015, we began to see the results of the new treatment system installed during 2014. This new treatment system entails a series of benefits:
- It guarantees that water discharges are fully clean and treated, and free of manufacturing waste.
 - The concentrate resulting from the treatment process is used as fertiliser, exploiting its agricultural value and eliminating waste.
 - The new system also gives us the capacity to adapt to future expansions in production, regardless of the products manufactured.

In addition to the above benefits, in 2015 we likewise began to note a considerable reduction in water consumption and discharges, figures that may be observed in the “Monitoring” section.

Monitoring



APPLICABLE PRINCIPLES: 7



Diagnosis

Each year, Tradecorp performs periodic internal studies and audits connected with energy optimisation and emissions reduction. The conclusions drawn from these studies allow us to implement constant improvements which help to protect the environment.

Policy

The actions described in this section are in line with our ISO 14001:2004 certification and the environmental principles set out in our Code of Conduct.

Actions

In order to optimise energy use, we conduct energy audits of our production plants. On the basis of the conclusions drawn from these studies, various initiatives have been undertaken to allow us to reduce our energy use and emissions.

Energy optimisation initiatives at the Sanchidrián factory:

- An aspiration machine was installed in 2015, to reduce diffuse emissions. This new system absorbs the emissions and applies appropriate waste management to them.
- Renewal of the sleeve filter chimney to avoid accidental emissions.
- In 2015 the cooling system at Sanchidrián was optimised to increase the capacity for EDDHA synthesis, while optimising energy consumption. This investment allows us to increase our output of EDDHA by around 10%, while scarcely increasing energy consumption.
- Also, the improvements in the drying cycle management have allowed us to process larger product batches, minimising changeovers and reducing energy consumption.

Energy optimisation actions at the Albacete factory:

- The new cooling system for the reactors installed at the Albacete factory allows us to optimise product manufacturing times, thus being more efficient in energy consumption.
- The detailed analysis of our manufacturing processes showed an area for improvement with regard to the efficiency of the manufacturing process of some of our products. Process improvements in the Albacete drying tower allow us to optimise gas consumption.

Monitoring

The initiatives undertaken during 2014 and 2015 have served to reduce energy consumption levels at both factories. There has nonetheless been an increase in electricity consumption at the Albacete factory, due to the increase in the production of certain formulations.

	Electricity consumption	Natural gas consumption
Factory in Sanchidrián	▼ -2.5% Decrease of electricity consumption by kg manufactured	▼ -6% Decrease of natural gas consumption by kg manufactured
Factory in Albacete	▲ +5% Increase of electricity consumption by kg/L manufactured	▼ -35% Decrease of natural gas consumption by kg/L manufactured



APPLICABLE PRINCIPLES: 7



Diagnosis

Thanks to the conclusions drawn from the various internal studies and audits we conduct each year, we can improve control and management of the waste generated at our production plants. Identification of different areas for improvement has allowed us to reduce the waste we generate at both factories, and provide a new use to concentrates that were previously managed as waste.

Policy

The control and management of waste is undertaken in accordance with our ISO 14001:2004 certification, and is aligned with our Code of Conduct.

Actions

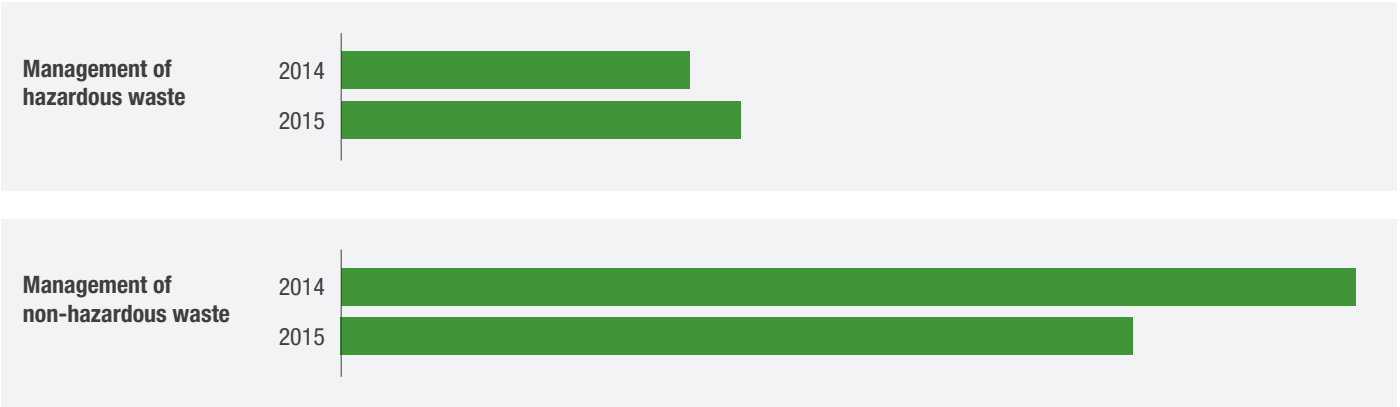
For proper management of the waste generated at our production plants, we work with outside companies specialising in the treatment of this type of waste.

- The analyses performed in previous years have allowed us to:
- Utilise the waste generated in EDDHA synthesis as fuel for an external plant, designed to work with this type of hazardous waste. This initiative gives a new use to what was previously a large volume and high environmental impact waste.
 - Following the installation of the new treatment facility, the concentrate resulting from treatment can be used as fertiliser on farms close to the Albacete factory.

Monitoring

- In 2015, we began to calculate figures for the manufacturing waste being reused:
- 18,040 kg of waste generated in the synthesis of EDDHA, reused as fuel.
 - 1,100 tonnes of waste from the Albacete treatment facility reused as fertiliser.
- Regarding the waste management figures, the following were processed in 2015:
- 105,772 kg of hazardous waste, including the 18,040 kg of waste generated in EDDHA synthesis, which, although it is reused as fuel, requires appropriate management. Likewise included are products that have been reclassified from non-hazardous to hazardous.
 - 209,550 kg of non-hazardous waste.

Approximately €134,000 were invested in proper waste management.



More good practices

Container recycling

To facilitate recycling, the boxes containing our solid products, and also our shipment cases, are 100% recyclable, as indicated on our packaging.

They also indicate the percentage of recycled fibres used to produce the box.

Tradecorp has likewise signed up to recycling programmes in various

European countries, including Germany (Pamira), France (Adivalor) and Belgium (Agrirecover).

The labelling of our products in these countries includes the logo of the recycling programme to which we have signed up, so as to facilitate recycling of packaging by end consumers.

In Mexico, Tradecorp is involved in the Campo Limpio association, which

encourages and provides education in the practice and culture of the technique of triple washing, collecting, compacting and sending empty product containers to their final destination, to protect crops and related aspects.



APPLICABLE PRINCIPLES: 8



Diagnosis

Although Tradecorp aims to maintain a preventive focus to support the environment, it is likewise committed to initiatives helping to protect and restore habitats that have been damaged in the past, and to raise environmental awareness.

Policy

This action is aligned with our Code of Conduct.

Actions

In August, the Tradecorp Mexico team, in collaboration with partners, friends, relatives and local residents at the Huentitán Nature Park, undertook the initiative “Transforming a Space 2015”. Through this project nearly 200 participants worked together to restore the park, reforesting 110 trees and 150 ornamental plants, while also restoring and painting 36 areas of the recreational section of the park. The participants likewise attended an urban garden workshop.

Monitoring

The reforestation undertaken in Mexico involved 192 people, including the team of Tradecorp Mexico, partners, friends, relatives and local residents at the Huentitán Nature Park. The initiative concluded with the planting of 110 trees and 150 ornamental plants, with an investment of 43,000 MXN.

During December, the Reforesta charity provided us with data on the survival of the trees planted in the Sierra de Guadarrama in Madrid, Spain, in 2012 and 2013. 51.6% of the trees have survived.



APPLICABLE PRINCIPLES: 10



Diagnosis

Although Tradecorp performs periodic independent audits and complies with anti-corruption laws and standards, a project is undertaken each year to involve internal managers in the company’s anti-corruption policy.

Policy

This initiative is performed in accordance with our commitment to the Global Compact and our Code of Conduct.

Actions

In order to commit internal audiences to anti-corruption, a form was devised to be signed by Area Managers, Department Directors and the Executive Director, asking them three questions about anti-corruption initiatives:

- Have you in your region or department made any contribution in money and/or in kind to political parties, politicians or related institutions?
- In which country or countries?
- Total value of the contribution in money and/or in kind

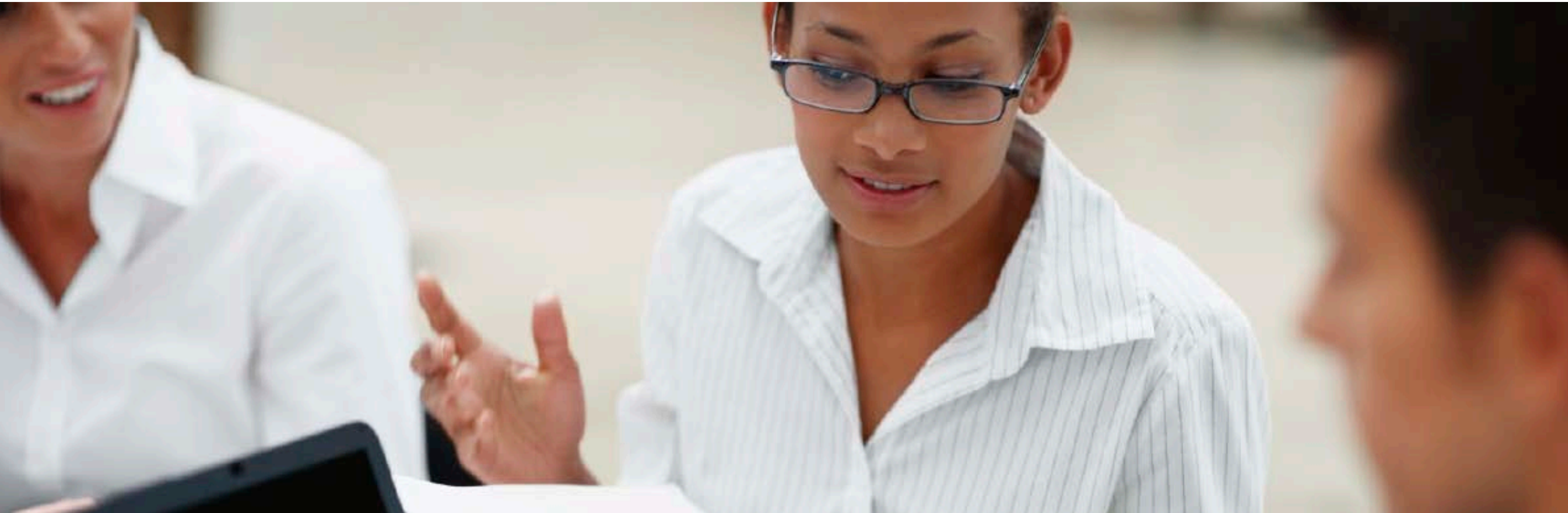
- Has there been in your region or department any legal action resulting from behaviour in violation of competition laws and/or monopolistic practices?
- In which country or countries?
- Total amount

- Has your region or department had any fine or non-monetary penalty imposed as a result of a breach of laws and regulations?
- In which country or countries?
- Monetary value of significant fines
- Number of non-monetary penalties

Monitoring

The form was completed and returned by all the Area Managers, Department Directors and the Executive Director.

- In 2015:
- There were no contributions in money or in kind to political parties, politicians or related institutions.
 - We were subject to no legal action as a result of behaviour in violation of competition laws and/or monopolistic practices.
 - We received no significant fines or non-monetary penalties as a result of a breach of laws or regulations.



Global Compact principles related to Global Reporting Initiative indicators, Tradecorp indicators and measurement of outcomes

GLOBAL REPORTING INITIATIVE INDICATOR	GLOBAL COMPACT PRINCIPLE	TRADECORP INTERNAL INDICATOR	TRADECORP MEASUREMENT	
			2014	2015
LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.	1	Rate of minor accidents in the factories (no. of accidents/100 employees/year)	4.8%	7.7%
		Rate of major accidents in the factories (no. of accidents/100 employees/year)	0%	1.4%
LA13 Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	1, 6	% of men in the company (total of employees in the company)	72%	78%
		% of women in the company (total of employees in the company)	28%	22%
		% of employees under 30 (total of employees in the company)	14%	10%
		% of employees between 30 and 50 (total of employees in the company)	72%	79%
		% of employees over 50 (total of employees in the company)	13%	11%
EN6 Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	8, 9	Electric energy kg/kwh y l/kwh	S*: 3.411 kg/kwh A*: 21.4 L-kg/kwh	S*: 3.731 kg/kwh A*: 23.4 L-kg/kwh
		Natural gas kg/kwh y l/kwh	S*: 0.263 kg/kwh A*: 0.141 kg/kwh	S*: 0.81 kg/kwh A*: 0.221 kg/kwh
EN10 Percentage and total volume of water recycled and reused.	8, 9	% of water that is reused	Sanchidrián: 100% Albacete: 25%	Sanchidrián: 100% Albacete: 25%
		% of water that is recycled	Albacete: 100%	Albacete: 100%
EN13 Protected or restored habitats.	8	No. of reforested trees	80	110
		No. of people involved in the restoration or protection of habitats	111	192
EN16 Total direct and indirect greenhouse gas emissions by weight.	8	CO ₂ emissions in kg	S*: 14.153.430,5 A*: 557.483,14	S*: 5.366,669 A*: 756,900
EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved.	8, 9	No. of initiatives to reduce greenhouse gas emissions	3	2
EN23 Total number and volume of significant spills.	8	Total number of significant spills	0	0
EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	7, 8, 9	Number of Tradecorp brands that are approved for Organic Agriculture under NOP standards	14	19
		Number of Tradecorp brands that are approved for Organic Agriculture under European standards	67	95
		Number of Tradecorp brands that are approved for Organic Agriculture under European and NOP standards	50	38
		% of total sales that are sales of brands approved for Organic Agriculture	54.63%	53.41%

GLOBAL REPORTING INITIATIVE INDICATOR	GLOBAL COMPACT PRINCIPLE	TRADECORP INTERNAL INDICATOR	TRADECORP MEASUREMENT	
			2014	2015
EN28 Monetary value of significant fines and total number of non-monetary sanctions for non compliance with environmental laws and regulations.	8	Monetary value of significant fines for non-compliance with environmental laws and regulations	0	0
		Non-monetary sanctions for non-compliance with environmental laws and regulations	0	0
EN30 Total environmental protection expenditures and investments by type.	7,8	€ invested in habitats protection	1,950€	2,196€
		€ invested in the correct management of hazardous waste	60,000€	102,000€
		€ invested in the correct management of non hazardous waste	30,000€	32,000€
		€ invested in the optimization of natural resources	90,000€	20,000€
		€ invested in control of spills	400,000€	10,000€
		€ invested in control and decrease of emissions	20,000€	34,000€
		€ invested in controlling noise pollution	1,500€	3,000€
S06 Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	10	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	0	0
S07 Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes.	10	Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes	0	0
S07 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	10	Monetary value of significant fines for non-compliance with laws and regulations	0	0
		Total number of non-monetary sanctions for non-compliance with laws and regulations	0	0

S*: Factory in Sanchidrián, Ávila (Spain)
A*: Fcctory in Albacete (Spain)



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

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