

Progress Report 2015

The 10 UN Global Compact Principles

HUMAN RIGHTS Principles

Principle 1. – Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2. – Businesses should make sure they are not complicit in human rights abuses.

PACADAR has always been fully committed to human rights and public freedoms. And while its activity has been developed in western environments, with clients and suppliers also from that geographical area, the knowledge of our business vision in terms of human rights respect was evident to our clients and partners.

By expanding the geographic scope of international market, a risk in the knowledge and transmission of our values has been detected.

It is for this reason that PACADAR has initiated actions to show its way of understanding the business both by ethical commitments in the form of statements, as well as through an open door policy with its partners where the processes and conditions of respect for human rights can be observed.

PACADAR's actions in 2015:

2015. We continue with the dissemination of the Code of Conduct of the company, with a formal and stated commitment to Human Rights.

2015. Implementation of the Human Resources Management System in international settings, as well as the implementation of the Worker Health and Safety Management System based on the principles and best practices contained in the Code of Conduct.

2015 Results:

Compliance with human rights 100%

Transparency in our activities: 100%

On the occasion of the entry into the international market, since 2013 PACADAR has been developing a set of programmatic, normative and operational tools to define and evidence the ethical context of the organization in the form of business understanding. This scheme is planned to be set up in the next five years.

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LABOUR Principles

Principle 3.- Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4.- Businesses should uphold the elimination of all forms of forced and compulsory labour.

Principle 5.- Businesses should uphold the effective abolition of child labour.

Principle 6.- Businesses should uphold the elimination of discrimination in respect of employment and occupation.

While PACADAR has developed its business activity in Spain in full compliance with the existing labour laws (whose legislation protects the labour principles of the Global Compact), it has kept an orderly management system of labour relations at all times.

PACADAR has incorporated into the human resources management the fulfilment of the labour standards when operating in international settings, by implementing management systems for human resources and occupational health and safety

PACADAR has trade union representation in all its work centres in Spain, maintaining a real and effective relationship with their members. PACADAR promotes the participation of its employees through their representatives and direct contact with the Company.

PACADAR does not allow discrimination based on race, colour, nationality, social origin, age, sex, marital status, sexual orientation, ideology, political opinions, religion or any other personal, physical or social condition, with a special emphasis on fostering diversity of its human resources.

The recruitment and promotion policy takes into consideration qualifications, skills, ability and professional merits.

Child labour and forced labour are prohibited.

PACADAR's actions in 2015:

2015. We continue with the dissemination of the Code of Conduct of the company, which sets out the labour standards of the Global Compact.

2015 Implementation of the Human Resources Management System in international settings, as well as the implementation of the Worker Health and Safety Management System based on the principles and best practices contained in the Code of Conduct.

2015 Results:

Compliance with labour standards: 100%

Transparency in our activities: 100%

On the occasion of the entry into the international market, since 2013 PACADAR has been developing a set of programmatic, normative and operational tools to define and evidence the ethical context of the organization in the form of business understanding. This scheme is planned to be set up in the next five years.

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ENVIRONMENTAL Principles

Principle 7.– Businesses should support a precautionary approach to environmental challenges.

Principle 8.– Businesses should undertake initiatives to promote greater environmental responsibility.

Principle 9.–Businesses should encourage the development and diffusion of environmentally friendly technologies.

PACADAR is aware of the importance of environmental conservation. It has formally committed to contribute to sustainable development by acting on the basis of criteria of energy efficiency, resource optimization, protection of biodiversity and ecosystems and pollution prevention.

PACADAR's actions in 2015:

After taking the decision to have a voluntary instrument that allows us to reach a high level of environmental protection in the context of sustainable development, PACADAR started in 2015 the implementation of the Environmental Management System at national level, according to the international standard UNE EN ISO 14001:2015.

This Environmental Management System has served as a reference framework for the establishment of programmatic, regulatory and operational instruments such as: Environmental objectives aimed at decreasing environmental hazards; Operational controls aimed at reducing financial burdens due to an active management in reducing pollution, minimizing environmental taxes and avoiding fines or financial penalties for legal breaches; Action plans to reduce significant environmental aspects and the related impacts, and awareness-raising actions, both internal and external, to increase credibility and trust with public authorities, clients and citizens.

2015 Results:

Compliance with the Environmental principles 100%

Transparency in our activities: 100 %

On the occasion of the entry into the international market, since 2013 PACADAR has been developing a set of programmatic, normative and operational tools to define and evidence the ethical context of the organization in the form of business understanding. This scheme is planned to be set up in the next five years.

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ANTI-CORRUPTION Principles

Principle 10. – Businesses should work against corruption in all its forms, including extortion and bribery.

PACADAR rejects and prohibits any act of corruption, extortion or bribery.

PACADAR is aware of the importance to give an echo of its commitment to anti-corruption principles. The company is committed to prohibit all forms of illicit payments, extortion and bribery.

PACADAR's actions in 2015:

2015 We continue with the dissemination of the Code of Conduct to be followed by the company, in line with the Anti-corruption Principle and creation of a monitoring and control system.

2015 Results:

Compliance with the anti-corruption principles 100%

Transparency in our activities: 100%

On the occasion of the entry into the international market, since 2013 PACADAR has been developing a set of programmatic, normative and operational tools to define and evidence the ethical context of the organization in the form of business understanding. This scheme is planned to be set up in the next five years.