



MBP Solutions Ltd.

**UN Global Compact
Communication on Progress
2018**

COVERING DECEMBER 2017 – NOVEMBER 2018

MBP Solutions in brief

Our focus

MBP Solutions Ltd. is a world leader in the collection, handling, processing, production, and application of biological by-products and related services. The company was founded in 1999, and since the beginning, its focus has been on the optimal use of residues through the development of innovative by-product solutions, with an open book approach to incorporating full traceability.

In order to add value to by-products collected and managed, we seek to understand the by-products from a technical-chemical point of view through sampling and analysis. We combine this data with expertise about technical requirements in different areas of application, along with knowledge about legal requirements and restrictions in different geographical markets.

We do monitoring, sampling, analysis, logistics, sales, marketing and registration with authorities. When required, we also make the necessary arrangements for storage, cleaning, filtering and the addition of additives and repackaging.

Our services

We provide a wide range of specialist services including by-product and waste collection and handling, as well as by-product management outsourcing service. We focus on managing by-products from a production based on biological (non-fossil) raw materials not only from the oleochemical, biodiesel and omega-3 refining industries but also from companies that have other types of solutions, sludges and powders, such as breweries, starch manufacturers, pharmaceutical companies and manufacturers of nutritional ingredients.

Our products

We offer a wide range of products including biofuels, bioliquids, substrates for biogas production, soil improvement products, high-quality animal feed and pet food products, in addition to specialist technical products for a wide range of applications.

MBP in 2018

15'000

Cubic Metres of Bulk
Liquid Storage

200'000

Tonnes Sold Yearly

9

Offices

25

Fully Managed
Factories



Biological by-products for tomorrow's environment

Sustainability

Sustainability has been part of our ideological backbone since the beginning, as our organisation captures and delivers value in economic, environmental and social terms.

Our business brings to life the concepts of industrial ecology and circular economy by materialising the idea that the waste stream of one industry can be used as a key resource by another.

Our technical expertise, market knowledge and legal understanding help to promote the efficient use of natural resources, reduce waste and toxic emissions, help to cut operating costs and generate new revenue.

As a result, we help to improve the environmental, economic and social performance of our suppliers and customers, with whom we work together to enable the recycling and recovery of residual resources.

In order to document the sustainable status of our products, we embrace relevant existing sustainability standards through certifications like ISCC, RSB, GMP+, and we are under the process of getting certified under MSC and IFFO RS.

Scope

This report focuses on our performance, challenges and opportunities and it covers MBP's entire organisation, including administrative offices, industrial facilities and sourcing operations.

Based on our 2018 CSR assessment, we identified the most relevant topics and indicators to our internal and external stakeholders, as well as their alignment to our strategy, the United Nations Global Compact and the Sustainable Development Goals (SDGs). Additionally, we aligned our corporate goals with the SDGs and elaborated an action plan to embrace corporate sustainability guided by the UN Global Compact Management Model.

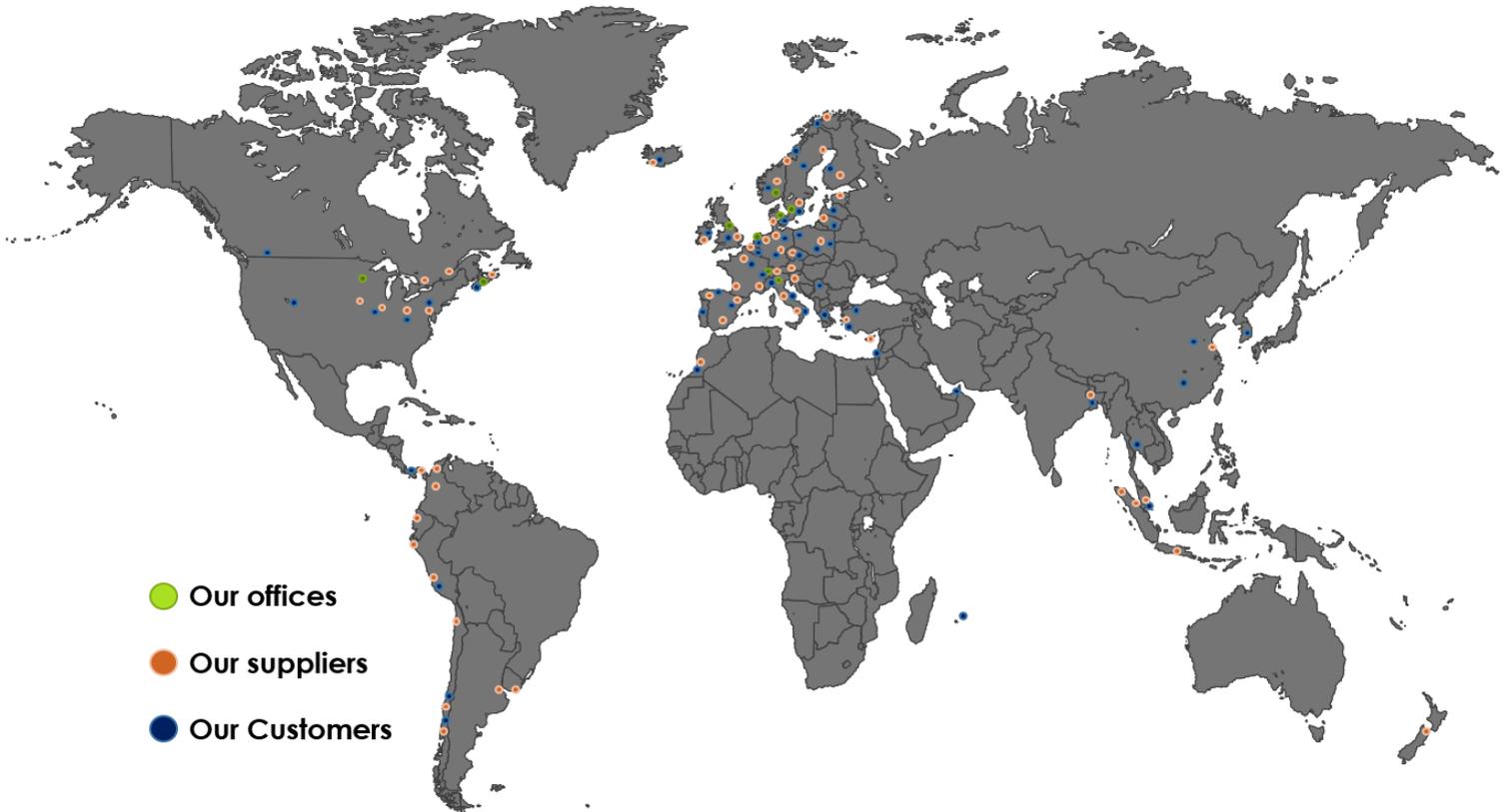
This report meets the requirements for the UN Global Compact Communication on Progress, and it is available in English on our website www.mbpsolutions.com.



MBP Solutions

Innovative Business for Tomorrow's Environment

MBP in the world



MBP is a multinational company with offices in nine different countries including three outside of Europe. Although sales and sourcing traditionally have been done in Europe with a large portion of the sales in Scandinavia, the company has moved to sell into a more geographically diversified market with where, among others, Great Britain, Italy and Netherlands are big markets.



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CEO Statement

Sustainability is essential to MBP's long-term success, and our company is committed to offering products and services that are beneficial for the environment, the people and the economy.

Through our involvement in the UN Global Compact and the incorporation of the Sustainable Development Goals (SDGs) into our strategies, we will continue contributing to these areas, and we will work together with other businesses to attain the opportunities that the SDGs offer to all.

UN Global Compact

I am pleased to reaffirm MBP's support to the Ten Principles of the UN Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. In this annual Communication on Progress, we describe our efforts to gradually integrate the UN Global Compact and its principles into our business strategy, culture and daily operations, and we commit to sharing this information with our stakeholders using our primary channels of communication.

The Sustainable Development Goals

We agree that companies have a relevant role in achieving the SDGs and we are familiar with the opportunities and challenges that they represent for our business.

Based on our mapping, we believe that we contribute to at least 11 of the 17 SDGs through our products and services, and we are proud of our influence to the sustainability of our suppliers and customers. However, we will strive to strengthen our relationships with relevant stakeholders and intensify our positive

impacts through responsible business operations, innovation, technology and increased collaboration.

Communication on Progress (CoP)

This report is MBP's first Communication on Progress (COP) to the UN Global Compact, and it explains our performance on the Global Compact commitments and the SDGs.

We approach sustainability as a process of continuous improvement, and we will continue setting objectives within our scope of operations to grow our business while contributing to the environment, the society and the economy.

Helen Sainsbury
CEO
MBP Solutions Ltd.



Making businesses more sustainable since 1999

Partnership for better management of residual resources

Our company facilitates working in partnership to enable resource efficiency through the recycling and recovery of waste. We help our suppliers and customers minimise negative impacts on the environment and human health, by safely, responsibly and efficiently maximising waste recycling, recovery, and resource generation opportunities whilst ensuring legal compliance.

Suppliers

We provide solutions for by-product management and expertise to industries that prefer to focus on their core products. These are our suppliers, who are mostly companies involved in the omega-3, fish meal, oleochemical, food, beverages, feed, pharmaceutical, and nutritional supplements markets.

Customers

Based on product knowledge as well as know-how about the technical requirements for raw material in various sectors and applications, we provide customers with cost-efficient and sustainable products and raw material substitutes in the areas of biofuels, technical oils, animal feed, fertilisers and anaerobic digestion substrates.

Advancing the circular economy in our supply chain

The degradation of the world's natural resources caused by human activities has created the need to move from a linear model of production and consumption to one that maintains the highest utility and value of products, components, and materials at all times. The circular economy model was born from this ambition, and it entails the reduction of waste, the use of waste as a resource when possible and the implementation of holistic and sustainable waste management approaches.

Our company encourages sustainable production and consumption patterns that help bring the concept of the circular economy to life. The manufacturers and service providers constitute our suppliers, who send out residues for recycling or recovery purposes. Then, we either find direct applications for those residual resources or reprocess them into products, and our customers either use them to replace materials (recovery) or use recycled resources through the purchase of MBP products (recycling).

These synergies facilitate the use of Earth's limited resources in a way that minimises its impacts on the environment while delivering greater value with less input. As a result, our suppliers and customers generate less waste, reduce business costs, earn economic benefits, reduce risks to public health and the environment, and ultimately, contribute to complementary policy areas such as the "green economy", "innovation for sustainability" and the "circular economy".

MBP's by-product management Approach

We take huge pride in identifying products that are normally considered as waste or a residue from production, and by understanding their potential, we find its optimal application.

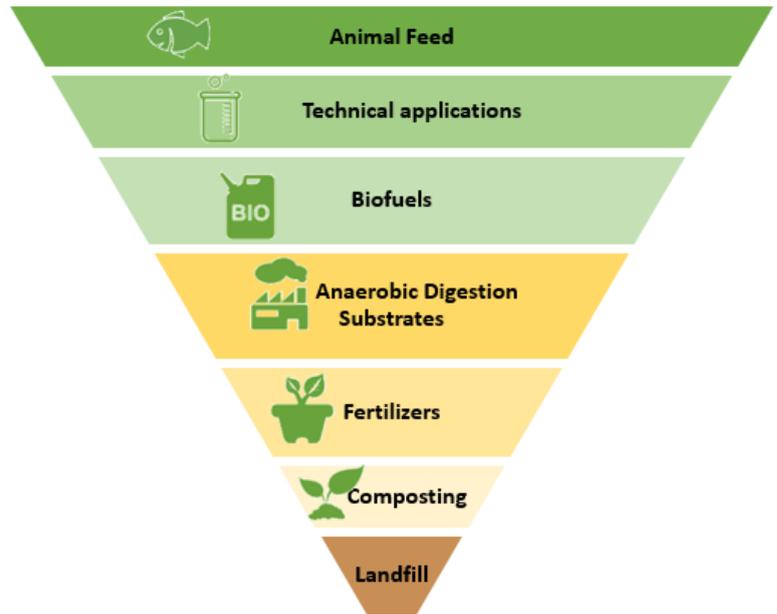
By these means, we not only help to reduce the waste generated in society but also the consumption of primary raw materials, as our by-product based products will often substitute materials of the primary production sector.

By-product management hierarchy

Although we predominantly deal with by-products, our business operations fall into the waste management sector for the reason that, in general terms, we handle residues and remaining materials from industrial processes.

Hence, we have aligned our by-product management approach with the waste management hierarchy established by the parties to the Basel convention, the food waste hierarchy of the Global Waste Management Outlook, and all the relevant internationally and nationally recognised standards for environmentally sustainable waste management approaches.¹

Attending to technical, environmental, economic, and legal aspects, we apply this hierarchy when finding the most suitable applications and customers for the by-products collected and managed.



MBP's by-product hierarchy

Landfill is our last option for dealing with residues and we do our best to divert waste to composting or anaerobic digestion when possible, as these applications allow us to use gases and the same time avoid GHG emissions from waste disposal.

¹ The waste management hierarchy and food waste hierarchy set out the preferred order of handling practices, from most to least preferred, to achieve

optimal environmental outcomes. See further: Global Waste Management Outlook (2015).

Our corporate sustainability frameworks

MBP's sustainability policies, strategy, culture and day-to-day operations are grounded on the UN Global Compact principles, the SDGs, our supply chain needs, and our principles and values.

The United Nations Global Compact

The UN Global Compact is the world's largest corporate sustainability initiative, and it offers a principle-based framework for businesses, stating ten principles in the areas of human rights, labour, anti-corruption and the environment.

We joined the UN Global Compact in November 2017, and as a signatory, our company is committed to supporting and integrating the ten principles as part of our strategy, culture and day to day operations.

Through this report, we describe the practical actions undertaken to integrate the principles in each of the four issue areas during our first period of commitment, and we express our continued support to this initiative.

The Sustainable Development Goals

The sustainable development goals (SDGs) are a set of 17 goals supported by 169 detailed targets that represent a clear agreement on where the world has to be by 2030.

They were adopted in September 2015 by the 193 members of the United Nations, and they reflect economic, social and environmental expectations as well as future policy direction at the international, national and regional levels.

We believe that the SDGs impact our business and that our company can impact the achievement of the SDGs. Thus, we have committed to fully integrating the SDGs into our strategy and to joining global efforts to achieve these goals.

WE SUPPORT



**SUSTAINABLE
DEVELOPMENT
GOALS**

Our sustainability policies

Guided by our values and working in partnership with our team members, customers and suppliers, we strive to deliver sustainable by-product management solutions for the advantage of the community and the environment where we operate. Through the following policies, we reflect our commitment to ensuring that sustainability is considered through all our business decisions.

Economic policy

At MBP, economic sustainability means operating our company responsibly and thoughtfully to maximise shareholder return while wisely managing environmental, economic and social risks and opportunities.

A good economic sustainability practice is key for our business because, without it, our company will not succeed in the social and environmental aspects of sustainability.

As most companies, we aim not only to survive but also to develop more profits and improve our position compared to competitors in the market. Therefore, we work to grow by embracing a business model that creates value for shareholders and investors through the pursuit of profitability, financial strength, adaptability and long-term resilience.

We intend to achieve this through constant development and improvement and by maintaining an excellent relationship with employees, suppliers and customers.

We will constantly work to ensure the best planning decisions and use the best technological solutions to be able to continue offering high value-added products and services, meet the expectations of our employees, suppliers and customers, and create long-lasting economic, environmental and social value

in the industries and geographical areas where our company operates.

We are committed to using different strategies for the efficient use of our resources to guarantee the company's profitability and long-term survival in a responsible way.

Environmental policy

These are the principles that have always inspired the MBP's approach to environmental sustainability:

*We shall strive to add value to waste and by-products in order to reduce the negative impact that these streams may have through landfilling or other types of disposal. At the same time, we will reduce the consumption of primary resources by substituting primary raw material with value-added by-products.

*We prioritise good housekeeping and the preservation of natural resources to contribute to a sustainable society.

*We will always comply with the environmental requirements imposed by current legislation and regulations.

*Environmental work is an integrated and natural part of our daily work.

*Our environmental management system drives a way of working in which we constantly strive to develop and improve ourselves.

*We work towards making employees, customers and suppliers aware of general environmental issues and the issues which apply specifically to the products we manufacture.

*Our product development work views the product from the perspective of its entire life cycle and seeks solutions with a low impact on the environment.

*The environmental aspects are always taken into account when investing in production equipment and production methods.



Human rights policy statement

MBP Solutions Ltd. is committed to conducting business responsibly and ethically. Our human rights policy statement is based on the three documents collectively known as the International Bill of Human Rights (the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights), along with the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

This Human Rights Policy Statement consolidates our commitment to respect international labour and human rights to the fullest extent possible and supports our efforts to better integrate a human rights approach into our business practices. Our commitment is reinforced by our involvement in voluntary business initiatives like the UN Global Compact, and it is consistent with our goal to enrich our workplace, work in partnership with our supply chain, protect the environment and respect the communities where we operate.

We believe in our responsibility to respect and support internationally proclaimed human rights, and we will constantly strive to make sure that we are not complicit in human rights abuses of any individual we are in contact with directly or indirectly. We will seek to avoid instigating or contributing to unfavourable human rights through our own activities, products and services and address their effects if they occur in a timely and appropriate manner.

We believe everyone should be treated fairly regardless of their race, gender, economic status, ethnic background, sexual orientation, age, political beliefs or any other comparable characteristics, and therefore we prohibit discrimination, harassment, forced labour and child labour.

We draw on internationally recognised labour principles and comply with applicable labour and employment laws in all the countries where we operate, to ensure that we are not interfering with the enjoyment of the rights conferred by national laws and international declarations. We are committed to protecting the health and safety of our people at work and provide fair wages and benefits, as well as encourage development opportunities and continuous learning for our workers.

Where national legislation is stricter or conflicts with our approach, we will complement our policy with local requirements and follow the United Nations' Guiding Principles on Business and Human Rights (UNGPs).

This statement applies to our internal stakeholders in all locations where we conduct business. We will implement human rights due diligence into our operating model as suitable, instruct our team members to comply with this policy, establish appropriate reporting procedures and provide proper preventive or corrective action. We expect the same adherence to human rights from our external stakeholders, and we will regularly look for ways to support the promotion of human rights within our scope of operation and influence.

Our corporate sustainability performance

Assessment framework

Our company is aware of the links between the UN Global Compact principles and the SDGs, and we recognise the importance that both of them have to our business. As a signatory to UN Global Compact, we measured our social, environmental and economic performance in connection to the UN Global Compact principles, the 17 SDGs and their 169 targets.

Our impact on the SDGs

Our main impact lies in our supply chain, in what we do with the by-products from our suppliers, and in cooperation with our customers. Although we understand the importance of all the SDGs, during our assessment we identified that through our operations, products and services, we produce a particular influence on areas addressed by 11 of the 17 goals. We aim to increase our cooperation with suppliers and customers to achieve more progress on the 11 SDGs identified, and we will continue detecting areas where we can improve to contribute further to all SDGs.

Structure of the report

Since we measured our performance in the context of the UN Global principles and the SDGs, we present the results of our assessment in three categories (social, environmental and economic) and we connect them to the UN Global Compact principles and our priority SDGs associated to each category as follows:

Area (UN Global Compact principles)	SDGs
Social (Human Rights & Labour)	SDG 2 Zero hunger
	SDG 8 Decent work and economic growth
Environmental (Environment)	SDG 6 Clean water and sanitation
	SDG 7 Affordable and clean energy
	SDG 13 Climate action
	SDG 14 Life below water
	SDG 15 Life on land
Economic (Anti-corruption)	SDG 9 Industry, innovation and infrastructure
	SDG 11 Sustainable cities and communities
	SDG 12 Responsible consumption and production
	SDG 17 Partnerships for the goals



Social Performance

Human rights

Principle	Area	How MBP supports the principle	Planned improvements
Principle 1: Support and respect the protection of human rights	Health and safety	*MBP provides safe, suitable and sanitary work facilities to workers, as well as the protective equipment and training necessary to safely perform their tasks *MBP Actively involves workers in health and safety work	-
	Hours, wages and leave	*All MBP workers have an official employment status, the workweek is limited to 48 hours and overtime is occasional *Workers are given reasonable breaks, rest periods, holiday leave, sick leave and parental leave in accordance with national minimum standards *Workers get a living wage that enables them to meet the basic needs of themselves and their families	-
	Fair treatment	*MBP protects workers from physical, verbal, sexual or psychological harassment, abuse of threats *MBP respects the privacy of employees whenever private information is collected or the workplace is monitored	*Provide further training to help managers identify and deal with harassment in the workplace
Principle 2: Make sure that they are not complicit in human rights abuses	Community Impacts	*MBP identifies and consults all existing owners and users of the land or property before buying, renting, acquiring or accessing land or property *MBP engages in local communities on the actual or potential human rights impacts of its operations	-
	Product stewardship	*MBP carefully considers the actual or potential human rights impacts of its operations and takes action to prevent risks to human rights arising from product defects or improper use or misuse of company products	-
	Country risk	*MBP seeks to avoid involvement in human rights abuses owing to government or societal practices	-

Labour

Principle	Area	How MBP supports the principle	Planned improvements
Principle 3: Uphold the freedom of association and the effective recognition of the right to collective bargaining	Association and bargaining	*MBP recognises the right of its workers to freedom of association and to bargain collectively	-
Principle 4: The elimination of all forms of forced and compulsory labour	Forced and compulsory labour	*MBP takes all the necessary measures to ensure that it does not take part in any form of forced or compulsory labour	-
Principle 5: The effective abolition of child labour	Child labour and young workers	*MBP complies with minimum age standards	-
Principle 6: The elimination of discrimination in respect of employment and occupation	Discrimination	*MBP ensures that employment-related decisions are based on relevant and objective criteria	*MBP will establish a policy focusing on awareness of discriminatory decisions relating to hiring, wages, and similar issues



Social SDGs

SDG	Target	Required business action	Scope within MBP	Example
SDG 2 Zero Hunger	Target 2.1 End hunger and ensure year-round access to safe, nutritious and sufficient food.	<p>*Transform the global food system and agricultural production towards sustainable and environmentally sound practices</p> <p>*Improve production, conservation and distribution of food by making full use of (existing and new) technical and scientific knowledge</p> <p>*Improve efficiency along the food value chain</p>	<p>*Animal feed products</p> <p>*Biogas Feedstock</p> <p>*Fertilisers</p> <p>*Composting</p>	<p>Fish oil for animal feed</p> <p>Fish oil is a valuable and scarce resource with great health benefits for humans and animals, and for that reason, putting fish oil by-products (back) into the human food chain is a more sustainable alternative than just using it to replace petroleum in combustion. MBP gives preference to the sales of fish oil for animal feed and given that aquaculture is an efficient way for the production of proteins, the company is contributing through this approach to improving efficiency along the food value chain and to ensuring access to safe, nutritious and sufficient food.</p>
	Target 2.4. Ensure sustainable food production systems and implement resilient agricultural practices.	<p>*Improve the efficient use of resources and harness the potential benefits of ecosystem services</p> <p>*Increase the proportion of sustainably produced goods and services</p>	<p>*All MBP by-products & services</p>	<p>Fertilisers</p> <p>The agricultural industry relies heavily on the use of fertilisers to meet global food supply. MBP applies efficient and effective nutrient management decisions and offers a fertiliser product range that includes nitrogen, phosphor, potassium and sulphur, which are essential nutrients required for healthy plant growth, healthy soils and resilient agricultural practices.</p>
SDG 8 Decent work and economic growth	Target 8.4. Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation.	<p>*Improve the efficient use of materials and resources</p> <p>*Implement circular business models to further reduce the business' own environmental impact, improve resource efficiency as well as increase supply chain and resource security</p>	<p>*All MBP by-products & services</p>	<p>Circular economy</p> <p>The main principle of a circular economy is to use different materials efficiently and sustainably while contributing to the preservation of the environment and natural resources. MBP's operations are based on the circular economy model, as the company collects, handles and processes by-products and works to find optimal markets for these otherwise waste products.</p>



Environmental Performance

Environment

Principle	Area	How MBP supports the principle	Planned improvements
Principle 7: Support a precautionary approach to environmental challenges	Precautionary approach	*MBP supports a precautionary approach to environmental issues through, for example, systematic risk assessments of materials used, products and processes	-
	Emergency Response	*MBP has detailed procedures, plans, equipment and training programmes to prevent accidents and emergencies that could affect the environment and human health	-
Principle 8: Undertake initiatives to promote greater environmental responsibility	General environmental topics	*MBP takes measures to reduce energy consumption and emissions of greenhouse gases; prevents, reduces and treats air emissions and impacts on the surrounding environment from noise, odour, light and vibrations; and ensures that natural resources are used sustainably *MBP supports and certifies to acknowledged sustainability standards where relevant and possible	*MBP will select key performance indicators and report on its performance in line with internationally recognised standards, *MBP will obtain additional certifications (MSC and IFFO RS)
Principle 9: Encourage the development and diffusion of environmentally friendly technologies	Environmentally friendly technologies	*MBP promotes and facilitates the development and use of environmentally friendly technologies	-

Environmental SDGs

SDG	Target	Required business action	Scope within MBP	Example of contribution
SDG 6 Clean water and sanitation	Target 6.3. Improve water quality by reducing pollution and increasing recycling.	*Minimise negative impact on water quality through the management of materials and waste	*Biogas and substrates	Biogas feedstock MBP helps customers and suppliers minimise the negative impact on water quality through the management of residual resources. For example, MBP takes organic streams to provide a range of substrates for anaerobic digestion plants, which then use it to produce renewable energy in the form of biogas. By these means, companies not only reduce GHG emissions but also divert waste from sewage/waste water treatment and therefore help to improve air and water quality.
SDG 7 Affordable and clean energy	Target 7.1. Universal access to affordable, reliable and modern energy services.	*Invest in green energy technologies and decentralised renewable energy solutions *Invest in sustainable energy solutions	*Technical oils *Biofuels *Biogas and substrates. *Bio-heating oil.	Biofuels MBP helps biofuel customers and suppliers to work in partnership, improve energy efficiency and provide environmentally sustainable solutions to their energy needs. MBP biofuels and bioliquids are carbon neutral at the collection point and cost-efficient alternatives to mineral oil based heavy fuels, light fuels as well as diesel. MBP is certified according to RSB and ISCC, which allow us to document sustainability and GHG savings as well as comply with public policies that promote renewable energy.
	Target 7.2. Increase the share of renewable energy in the global energy mix.	*Work with other companies to scale-up both supply and demand for renewable energy		



SDG	Target	Required business action	Scope within MBP	Example of contribution
SDG 13 Climate Action	Target 13.1. Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.	*Improve the efficiency and climate resiliency of operations	*All MBP by-products & services	Working with the food and energy industries Greenhouse gases from human activities are the major drivers of observed climate change since the mid-20th century. The two main causes of anthropogenic greenhouse gas release are the use of energy and food production, and both of these activities relate directly to economic development. MBP operations apply environmentally friendly and cost-efficient procedures in the food and energy industries, which are beneficial for both the companies and the environment. Hence, when using MBP services and products, our customers and suppliers are improving the efficiency and climate resiliency of their operations in the industries that contribute the most to climate change.
	Target 14.1. By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution.	*Take responsibility for waste and wastewater generated, as well as other sources of pollution as a result of own business activities	*MBP by-product collection	Management of material and waste MBP takes by-products and applies environmentally friendly and cost-efficient procedures to return them to the production cycle, preventing its disposal through aqueous waste treatment or direct environmental release that is not recovered. In this way, MBP helps suppliers to minimise the negative impact on water quality through the optimal management of residual resources.
SDG 14 Life below water	Target 14.2. By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans.	*Contribute to the protection of marine and coastal ecosystems through waste and wastewater management	*MBP by-product collection *Fish oil for feed	Sustainable fish oil by-products MBP is a member of the Marine Ingredients Organization (IFFO), and customers and suppliers can be certain of the company's increasing awareness of the importance of sustainable use of fishery resources. Additionally, the use of MBP fish oil by-products aligns with broader policies such as the European Union's policies on a Circular Economy, Blue Bioeconomy and Blue Growth, the FAO's guidance for animal feed and some of the UN's Sustainable Development Goals (SDGs). MBP has also started the process of getting MSC and IFFO RS certified. These standards set high-level targets for sustainable ocean fishing and production, and they will allow us to demonstrate that our fish oils are responsibly sourced and produced



SDG	Target	Required business action	Scope within MBP	Example of contribution
SDG 15 Life on land	Target 15.1. Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services.	*Take responsibility for waste generated. Assessing and preventing actual or potential negative impact on soil, wildlife, ecosystems and the food chain	*MBP by-product collection	Responsibility for the waste generated MBP helps suppliers manage and substantially reduce landfilling of waste generated through recycling and recovery. Therefore, by doing business with us, our suppliers contribute to the prevention of actual or potential impact on soil, wildlife, ecosystems and the food chain.
	Target 15.3. Combat desertification, restore degraded land and soil, including land affected by desertification, drought, and floods and strive to achieve a land degradation neutral world.	*Prevent soil contamination from all sources *Enhance soil productivity through an integrated approach to soil fertility management, replenishing nutrients with organic and mineral inputs and growing appropriate crops *Reduce soil salinity and correct soil pH	*Fertilisers *Soil improvement products	Fertilisers In addition to the content of essential nutrients, some MBP fertilisers are complemented with other attributes to enhance performance and return organic material to the agricultural soil. As an example, some of the fertiliser products sold for farming purposes have a content of biological oils to reduce evaporation of nutrients and reduce the smell, as well as to improve their structure, their ability to contain nutrients and moisture and support microbial life in the soil. Soil improvement A good content of organic material is characteristic of healthy and productive soils. MBP provides raw material for both composting and anaerobic digestion (AD) and as a result compost as well as AD digestate is subsequently added to agricultural or other soils. This ensures that valuable organic material is returned and enriches the receiving soil. Organic material in soils ensure that the soil is alive and has a good structure as well as increasing the soils ability to hold valuable water and nutrients.
	Target 15.5. Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and protect and prevent the extinction of threatened species.	*Implement circular business models to reduce their environmental impact further, improve resource efficiency as well as increase supply chain and resource security *Help clients reduce their ecological footprint and apply these measures also to companies in the supply chain	*All MBP by-products & services.	Reduction of environmental impact MBP services and products help clients apply the principles of circular business models to reduce their environmental impact further, improve resource efficiency as well as increase supply chain and resource security. Through the support and certification of the sustainability schemes RSB, ISCC, IFFO RS and MSC, MBP applies standards that promote sustainable production on land and the sea, including the protection of threatened ecosystems and species.



Economic Performance

Anti-corruption

Principle	Area	How MBP supports the principle	Planned improvements
Principle 10: <i>Businesses should work against corruption in all its forms, including extortion and bribery</i>	Company culture and procedures	*MBP takes a clear stand against corruption, and its internal procedures support its anti-corruption commitment *MBP evaluates the potential areas of corruption when doing business, and the risk of internal and external conflicts of interest when doing business *MBP ensures that relevant workers are properly trained *MBP's internal procedures support its anti-corruption commitment	*The company will look for training options to help employees identify corruption in the work environment *In order to seek worker feedback and dialogue on anti-corruption, MBP's clear stand against corruption will be added to the biannual employee appraisal and annual survey *Risks related to anti-corruption will be added to the annual risk assessment of the company
	Joint actions	*The company shares experience, procedures and challenges of corruption with other organisations through online communication channels	-



Economic SDGs

SDG	Target	Required business action	Scope within MBP	Example of contribution
SDG 9 Industry, innovation and infrastructure	Target 9.4. Upgrade and retrofit existing infrastructure to make industries sustainable.	*Support the development and diffusion of environmentally friendly technologies through improving product design and material efficiency	*All MBP by-products & services.	Clean technologies and recycling of materials MBP services and products contribute to the use of clean technologies through the recycling and recovery of residual resources. In this way, MBP customers and suppliers reduce their environmental impact, contribute to the implementation of circular business models and improve resource efficiency, and at the same time increase supply chain and resource security.
		* Retrofit industries through efficiency and clean technology *Implement circular business models to improve resource efficiency as well as increase supply chain and resource security		
SDG 11 Sustainable cities and communities	Target 11.3. Ensure inclusive and sustainable urbanisation, planning and management.	*Provide sustainable solutions and services in support of long-term urban development planning and to help operationalise and implement high-level visions. Examples include improving how cities generate and use energy, use infrastructure, reduce waste and reduce their carbon footprint	*All MBP by-products & services.	Biodiesel MBP is involved in the supply chain for production and use of bioethanol, biomethane, biodiesel and bio-heating oil for use in transportation, heat and electricity generation. Biodiesel is produced using renewable resources (such as used cooking oil) whereas fossil fuels are heavily dependent on non-renewable resources. Instead of waste oils being disposed of in landfills or the sewage system, MBP helps to use them to create an alternative energy source. Therefore, by providing the feedstock or raw material for biodiesel or by using it, MBP customers and suppliers contribute to improving how cities where they operate generate and use energy, reduce waste and reduce their carbon footprint.



SDG	Target	Required business action	Scope within MBP	Example of contribution
SDG 12 Responsible consumption and production	Target 12.2. By 2030, achieve the sustainable management and efficient use of natural resources.	<p>*Respect human rights, social and environmental impacts and use this to improve efficiency and effectiveness of material and energy use</p> <p>*Develop circular models for products (i.e. closing loops and using renewable energy)</p>	*All MBP by-products & services	<p>Crude glycerine Biodiesel is a promising alternative and renewable fuel. However, as its production increases so does the production of its main by-product, crude glycerine. Therefore, the effective utilization of crude glycerine will contribute to the viability of biodiesel. MBP facilitates the use of crude glycerine in technical refining, in animal feed and as a feedstock for anaerobic digestion. In this way, MBP customers and suppliers contribute to improving efficiency and effectiveness of material and energy use, to increase supply chain and resource security, and to implement circular business models.</p>
	Target 12.3. By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.	<p>*Use renewable materials and clean technologies to reduce the risk of over-exploitation of natural resources and biodiversity decrease</p> <p>*Implementing circular business models</p>	*All MBP by-products & services	<p>Use of organic waste for biogas feedstock, animal feed & biodiesel Traditional methods of dealing with the organic waste stream include sewage treatment plants, aerobic lagoons, compost yards and landfills. These options consume energy instead of producing it, and they also lead to potential air and water quality problems, such as excess nutrients into the soil, the release of phosphates and nitrates to water supplies and emissions of odorous volatiles (ammonia and GHGs). Instead of recurring to these methods, MBP conducts thorough case-based evaluations (technical, logistic and legal) of organic waste to provide ingredients for animal feed, biodiesel, and a range of substrates for biogas processing plants.</p>
	Target 12.5. By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse.	*Integrate waste management policies in business development, production and operations	*All MBP by-products & services.	<p>MBP by-product collection service MBP substantially helps suppliers to reduce waste generation through recycling and reuse. MBP handles all the by-products derived from the customer's production and finds optimal markets for those by-products. In this fashion, MBP customers and suppliers use and prove resources for renewable, bio-based or fully recyclable inputs and recovery of resources.</p>
SDG 17 Partnerships for the goals	Target 17.17. Encourage and promote effective public, public-private and civil society partnerships	*Complement the other parties to provide the full depth of resources	*All MBP by-products & services.	<p>Working in partnership MBP is a member of relevant industry associations: GOED, GROFOR, Svebio, MVO, AOCS, IFFO, VFK, Genanvend Biomasse, AFOA and Nofota. Furthermore, through the use of MBP products and services, our customers and suppliers complement each other to provide the full depth of resources, expertise and technological innovation needed to achieve sustainable development.</p>

Our Corporate Sustainability Goals 2018+

Our goals and sustainable development

Our goals are at the heart of our corporate sustainability approach, and they mirror our plan for competing successfully, optimising our financial performance and achieving the company's vision while contributing to the environmental, social and economic resilience of the industries and communities where we operate.

We have developed multiple new uses for by-products over the years, and we are faithful to continue innovating in cooperation with our supply chain, inspired by the SDGs, and guided by the UN Global Compact.

UN Global Compact and the SDGs

In 2018, we started aligning our corporate goals with the SDGs and strengthening our business strategy based on the UN Global Compact to address our risks, pursue opportunities, mitigate impacts and enhance positive effects in our sustainability journey.

Although we recognise the importance of supporting all the SDGs, we have linked our corporate sustainability objectives to the SDGs and UN Global Compact

principles that reflect the connection between our business strategy and relevant sustainability challenges. By linking our objectives to these broader goals and principles, we aim to demonstrate our commitment not only to sustain and grow our business but also to contribute to related policy efforts at the international, national and regional levels within our scope of operations.

A call for collaboration and partnerships

We linked our corporate goals to the UN Global Compact principles and the SDGs because we believe that our company can significantly help to achieve progress on critical sustainability challenges, in cooperation with our supply chain and our key stakeholders.

Therefore, by doing business or working with us, our employees, partners, suppliers and customers can greatly contribute to address important global challenges such as resource scarcity, fuel demand, food waste, the circular economy, sustainable use of marine resources, improved management of residues and climate change.

Goal 1:

Maintain our position as the preferred partner for handling by-products from the Omega-3 fish oil industry worldwide

Target

Upgrade 20'000 tonnes of distillation fish oil by-products from omega-3 concentration from biofuel to animal feed per year.

Global challenges addressed

Resource scarcity: The decreasing availability of fishmeal and fish oil for marine ingredients will force the industry to depend more heavily on by-products for fish feed.

Sustainable use of marine resources:

Marine and coastal ecosystems require protection through improved waste management practices.

Circular Economy: Needed to reduce businesses' environmental impact, improve resource efficiency and increase supply chain and resource security.

Related Global Compact principles

Principle 8: Undertake initiatives to promote greater environmental responsibility.

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

Impact on the global issue

The world fish oil production has been stable at ca. 1'000 kilotonnes per year, due to many reduction fisheries being at or close to maximum sustainable capacity. 76% of world fish oil was consumed in aquaculture as a critical ingredient in aquafeed. As the world demand for protein is increasing and demand for fish has increased at the same time as world wild catch of fish has been stable at ca. 90'000 kilotonnes per year, growth in fish

supply for human consumption has come from aqua farmed fish growing from 26'000 kilotonnes in 2007 to 44'000 kilotonnes in 2017. With this business solution, MBP will help to meet the growing demand for fish oil for production of aqua feed to feed the world's growing population.

SDGs impacted



MBP Supports the SDGs

By improving the distribution of food



MBP Supports the SDGs

By implementing circular business models



MBP Supports the SDGs

By improving resource efficiency as well as increasing supply chain and resource security



MBP Supports the SDGs

By contributing to the protection of marine ecosystems through the efficient use of marine resources



Goal 2:

Develop more long-term agreements for the strategic management of by-products for manufacturers who want to outsource their management of by-products (known as OMBP agreements)

Target

Grow OMBP sourcing volume with 15% each year.

Global challenges addressed

Resource scarcity: Our society is currently experiencing constraints imposed by our resource system, which drives the industry to increase its overall efficiency by improving existing processes or finding new uses for residues.

Waste disposal: Waste generation is growing rapidly as populations rise, migration to cities continues, and economies develop. A broad grouping of global waste is estimated at around 7 to 10 billion tonnes per year, and in European Union, for instance, about 90 per cent of waste in the is produced by industries and businesses. As the problem of waste accumulation reaches threatening proportions, a worldwide effort is on to control waste.

Circular economy: In a circular economy, the aim is to close the loops, and any materials taken from nature should be used not only efficiently but also for as long as possible.

Related Global Compact principles

Principle 8: Undertake initiatives to promote greater environmental responsibility.

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

Impact on the global issue

Through the expansion of our business, we will get more companies to understand the value of outsourcing the management

of their by-products, as it not only allows them to increase recycling and recovery in their organisation while making profit but also contribute to the much needed sustainable management of residues.

SDGs impacted



MBP Supports the SDGs

By minimising the negative impact on water quality through the management of material and waste



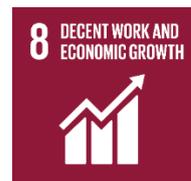
MBP Supports the SDGs

By working with other companies to scale-up both supply and demand for renewable energy



MBP Supports the SDGs

By strengthening business to business relationships in the value chain and through broader local economic development where the business operates



MBP Supports the SDGs

By enabling the development and diffusion of environmentally friendly technologies



Goal 3:

Make country wide contracts for Used Cooking Oil (UCO) collection and handling, as well as consolidation agreements with other smaller collectors

Target

Increase the volume of UCO handled with 10-15% per year in Denmark, Norway, Sweden and Finland.

Global challenges addressed

Sewerage damage: When not disposed of properly, UCO causes a large number of issues with sewer and septic systems because as it cools and settles it crystallizes, which can clog up pipes and cause corrosion of certain materials.

Related Global Compact principles

Principle 7: Support a precautionary approach to environmental challenges.

Principle 8: Undertake initiatives to promote greater environmental responsibility.

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

Impact on the global issue

According to the Paris climate agreement, more or less complete decarbonization should take place by 2050, and fossil fuel should be replaced by sustainable, renewable energy sources such as biodiesel. The demand for UCO for the production of biodiesel in the EU was estimated to be 2'400'000 kilotonnes in 2018. With this UCO service, we will not only help to prevent pollution but also increase the supply of biofuels.

SDGs impacted



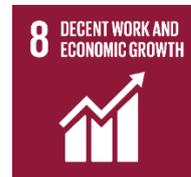
MBP Supports the SDGs

By working with other companies to scale-up the supply and demand for renewable energy



MBP Supports the SDGs

By improving the efficiency of use of resources



MBP Supports the SDGs

By improving resource efficiency



MBP Supports the SDGs

By helping to reduce waste and the carbon footprint of cities



MBP Supports the SDGs

By using technologies that help to reduce GHG emissions



Goal 4: Improve our quality control system

Target

Maintain existing certifications (ISCC, RSB, and GMP+), obtain additional certifications of relevance for our products and services (IFFO RS and MSC), and obtain accreditation in 2019 for the Group laboratory situated on the factory site in Greåker, Norway.

Global challenges addressed

Increased requirements: Sustainable development strategies for businesses has become an important issue worldwide. This urge companies to review their current control systems and prove the quality of their triple-bottom-line performance (i.e. economic, environmental and social) through internationally recognised certifications.

Related Global Compact principles

Principle 8: Undertake initiatives to promote greater environmental responsibility.

Principle 10: Work against corruption in all its forms, including extortion and bribery.

Impact on the global issue

The concept of quality control system has merged with the ideas of sustainability and transparency, as these topics have become increasingly important to consumer satisfaction.

By enhancing our quality control system, we will demonstrate our compliance with regulations, sustainability schemes as well as contribute to improving the standing of the waste and by-product management industry, to create room for expansion, growth, and profit.

With the on-site accredited laboratory, Resource Labs MBP is able to obtain quick and correct analyses, which allows quick blending and meeting customers' demands as well as legal requirements.

SDGs impacted



MBP Supports the SDGs

By providing products and services in line with the performance standards and criteria, obtaining eco-labels or sustainable certifications and implementing circular business models



MBP Supports the SDGs

By obtaining aquaculture certifications for marine and animal health and welfare, food safety, and environmental protection



MBP Supports the SDGs

By obtaining and/or promoting the use of forest management certifications and certifications on forest products



Goal 5:

Ensure a better system for storing and retrieving information about customers and suppliers, as well as improve the way MBP organises its communication with OMBP suppliers

Target

Implement the use of a customer relationship management (CRM) system by 2019.

Global challenges addressed

Supply chain transparency: The improvement of supply chain information is necessary to support enhancements in sustainability governance. Administering data and increasing transparency are powerful tools for managing the risks, grasping the opportunities of global supply chains and contributing to sustainable development.

Related Global Compact principles

Supply chain sustainability (Issue area): transparency in the supply chain.

Impact on the global issue

We support product traceability in our management systems and we are aware of the traceability requirements of numerous sustainability schemes, third party auditors and the legislation of several countries.

By having centralised information mediated by different transparency processes, MBP can help to inform and shape decisions to untangle the complexity of global supply chains and identify starting points for efforts to improve their sustainability.

SDGs impacted



MBP Supports the SDGs

By ensuring transparency and unbiased dialogue with stakeholders



MBP Supports the SDGs

By developing innovative solutions for operating system and data management that contribute to improving the effectiveness, accountability and transparency



MBP Supports the SDGs

By publicly disclosing corporate sustainability information and data and increasing accountability, transparency and data quality



Goal 6:

Implement a management model that includes general management goals securing that all employees are working together in a defined direction

Target

Integrate a Corporate Sustainability Management System by 2020.

Global challenges addressed

Increased pressure on businesses: With growing pressure and the SDGs, the private sector has been urged to reconsider what it means to do business.

Corporate responsibility: Companies are required to take an approach that creates long-term stakeholder value by implementing a business strategy that considers every dimension of how a business operates in the ethical, social, environmental, cultural, and economic spheres.

Related Global Compact principles

Principle 1: Support and respect the protection of internationally proclaimed human rights.

Principle 8: Undertake initiatives to promote greater environmental responsibility.

Principle 10: Work against corruption in all its forms, including extortion and bribery.

Impact on the global issue

Over the past two decades, the business sector has significantly increased its focus on sustainability issues, and corporate sustainability has become a broad global movement. By adopting a corporate sustainability management model, MBP will be contributing to the global spread of sustainability.

SDGs impacted



MBP Supports the SDGs

By assessing and mitigating environmental impacts



MBP Supports the SDGs

By aligning R&D priorities with national and international sustainable development priorities



MBP Supports the SDGs

By incorporating sustainable development into business vision, policies and strategies



MBP Supports the SDGs

By establishing effective, accountable and transparent governance structures internally



MBP Supports the SDGs

By publicly disclosing corporate sustainability data and increasing accountability, transparency and data quality



Goal 7:

Improve our legal, commercial and product understanding, to be able to manage better an increasing intercontinental business in shiploads

Target

Standardise and improve MBP's expertise in gathering and understanding the various legislation, commercial knowledge and product understanding related to the use of biological by-products in different industries and countries.

Global challenges addressed

Compliance requirements: Our global economy has produced opportunities for international expansion of companies that come with an increased need for governance, oversight and formal corporate compliance.

Increased complexity: There are several trading, legal and technical issues that our company has to be aware of when doing business internationally. These topics include international trade, investment treaties, different legal systems, tax laws and new technologies and applications for by-products.

Liability risk: The risk of potential liability along with the desire to serve the company and its stakeholders are strong motivating factors to improve the legal, commercial and product-focused expertise of the organisation.

Related Global Compact principles

Principle 8: Undertake initiatives to promote greater environmental responsibility.

General Counsel (issue area): addressing legal matters is critical in advancing key corporate sustainability issues.

Impact on the global issue

The capacity of an international company to create long-term shareholder value is linked to many areas of international trade

and law, as well as its ability to demonstrate the constant improvement of its products and services. Given the current global challenges, knowledge in those areas is now particularly indispensable for companies that operate and do business in multiple countries such as MBP.

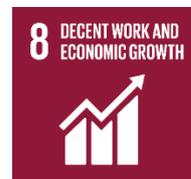
By improving the legal, commercial and product understanding both within the company and via partnerships, MBP will enhance its capacity to respond to the challenges of the industry and continue providing an excellent service to suppliers and customers, in line with relevant standards, legislation and technologies.

SDGs impacted



MBP Supports the SDGs

By ensuring compliance in own operations and the supply chain



MBP Supports the SDGs

By creating decent jobs and providing innovative solutions to tackle development challenges



MBP Supports the SDGs

By establishing strategies that incorporate business compliance, legitimacy and license to operate



Goal 8:

Secure MBP's long-term recruitment of personnel with key competencies, and appear as an attractive and desired workplace to facilitate new recruitment

Target

Maintain employee satisfaction and ensure that they have an interest in their contribution to the company's performance.

Global challenges addressed

Corporate sustainability: Sustainability is critical for businesses to survive. Although company sustainability typically looks at its impact on the community locally and globally, sustainability starts with the people inside the company.

Employee engagement: In order to build a strong foundation for long-term success, companies need to create a good work culture, work-life balance and contribute to sustainable development.

Related Global Compact principles

Principle 1: Support and respect the protection of internationally proclaimed human rights.

Principle 3: Uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: Support the elimination of all forms of forced and compulsory labour.

Principle 6: Support the elimination of discrimination in respect of employment and occupation.

Impact on the global issue

The 2018 Trends in Global Employee Engagement Report show that when engagement levels drop, companies see consequences such as higher turnover, steeper absenteeism, lower customer satisfaction, and ultimately, poor financial performance. While MBP cannot control worldwide events that negatively affect

employee attitudes, the company wants to be prepared to face the challenges of the industry by maintaining employee engagement and making the workplace more appealing to employees through positive solutions.

SDGs impacted



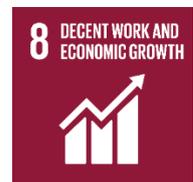
MBP Supports the SDGs

By promoting job security, respecting labour rights, improving skills and paying a living wage



MBP Supports the SDGs

By ensuring responsible employment strategies, providing decent work and productive activities for all employees



MBP Supports the SDGs

By creating decent jobs and integrating environmental and social issues within core business operations



MBP Supports the SDGs

By respecting human rights and supporting labour rights



Reporting Criteria

This report is our first UN Global Compact communication on progress, and we intend to continue reporting on an annual basis. For this reporting cycle, we evaluated our company's performance on the four areas of the UN Global Compact through the *Global Compact Self Assessment Tool* and identified our impact on the SDGs based on the *Business Reporting on the SDGs: An Analysis of the Goals and Targets* developed by GRI and UN Global Compact.

Additionally, as a first step into our future monitoring process, we carried out a CSR assessment through EcoVadis, and we hired specialised consultancy services to help us with the integration of sustainability into our corporate strategy, processes, and model.

The results of these internal and external assessments enabled us to discover our company's status and progress and laid the groundwork for the communication of our performance and engagement on this report. Yet, we are committed to continue identifying areas of development and to constantly improve our disclosure in line with emerging frameworks for sustainability reporting.



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To learn more about MBP SOLUTIONS and how we and our stakeholders are working to promote the 10 principles of the UN Global Compact, visit www.mbpsolutions.com



COMMUNICATION ON
PROGRESS

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.