

GLOBAL COMPACT - Communication on Progress 2014

(May 2014)

GENERAL

Statement of Continued Support by CEO

I'm pleased to confirm that CESO- Development consultants (formerly CESO CI) reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

CESO is a consulting company focused on the social merit of its projects. In order to achieve this goal we lay our activity in two pillars.

First and foremost, the internal pillar has been built around strict respect of human rights and particularly in the elimination of all forms of discrimination. We live in Portugal times of deep social and economic crises. CESO is committed in the protection of all its employees, corresponding salaries and fringes benefits in a time most of our competitors are laying-off staff and decreasing salaries. We implemented active measures to support our employees facing complex family situations, giving them time to support sick family members. We actively protect motherhood in our company through different measures among them financial ones. Security in the workplace is also a major concern, being our company regularly audited by an external company to confirm our compliance to the legislation in force.

The external pillar is based on a strict selection of our suppliers, which have to comply with the principles we follow. On the other hand, in the design of our projects we're always focused on the social merit of the interventions, particularly through active measures aimed at promoting real transfer of know-how and local capacity building.

Thus, the principles of the Global Compact are in the DNA of our company and are a reference to follow.

Rui Miguel Santos

Vice-President

HUMAN RIGHTS PRINCIPLES

Assessment, Policy and Goals

Respect for the human rights principles is in the core of our activity, this being confirmed through two written commitments:

- The Company's Human Resources Policy - which is based on the principles of Equity, Merit, Creativity, Transparency and Humanism with a view to design professional careers that serve not only the company interests but also the personal and professional goals of our employees.
- ISO 9001 - our company is certified, in Portugal and in the UK, by Bureau Veritas according to the international standard ISO 9001-2008. The human resources process is in the core of our quality management system and guaranteed full protection of human rights principles.

Continued support to the promotion of the social merit of our intervention is a major goal for CESO. In the short-term we plan to promote specific measure to favour the protection of our staff facing complex family situation, particularly in the cases of serious sickness. We believe this is an important initiative, particularly in a moment of crises of the Social Welfare State where families are more vulnerable and exposed to the lack of protection.

Implementation

Being a company that by definition complies with the human rights principles (being ISO 9001 certified, having as main clients the European Commission and the United Nations System who required full compliance with these principles), we focus our attention on the protection of our employees. Two main actions were implemented recently:

- Family Assistance - we provide flexible labour regime, without any loss of benefits, to our employees that need to assist family members in sickness.
- Promotion of Motherhood - we consider maternity and paternity an important moment in the life of our employees. The company pays a bonus of EURO 1.000 per child born to the mothers and fathers that work at CESO.

Measurement of Outcomes

In more than 3 decades of history, CESO has no track record with incidents of human rights violations.

Our quality management system incorporates two processes that provide the info required to measure the outcomes. On the internal front, the human resources process provides information on our compliance with the requirements of the ISO 9001 standard, which are fully on-line with the human rights principles. On the external front, the procedure on the selection of suppliers makes sure that our partners also comply with the same principles we follow.

Our company is audited twice a year (one by an internal auditor and another one by an external auditor). The monitors make sure that we measure the outcomes achieved in both domains and that we comply with internationally accepted principles in what concerns human rights protection.

Every year the Board of the Company reviews the outcomes achieved in both processes and this review is certified by an external auditor (Bureau Veritas).

LABOUR PRINCIPLES

Assessment, Policy and Goals

As already stated, CESO has a written human resources policy that fully protects the freedom of association and the right to collective bargain which are legally recognised rights in Portugal. The same applies to the elimination of all forms of forced and compulsory labour and child labour.

Our focus has been on the elimination of discrimination in respect of employment and occupation. In these areas we reinforced our measure in what concerns the protection of mother and fatherhood and the assistance to family members, as already stated.

Implementation

Besides the active measures to promote mother and fatherhood and promote assistance to family members, we are particularly committed to protect health and safety of our employees being our company audited by and external entity (CentralMed) that confirms our compliance with national and international standards.

In what concerns the consultation with employees, the company implemented last year a new body, Executive Commission, where the four Departments are represented (Technical, Financial, Commercial and Administrative). This Executive Commission is consulted for all relevant aspects connected with the daily management of the company.

Measure of Outcomes

In more than 3 decades of history, CESO has no track record with incidents of violations of labour principles or legal cases, rulings fines or other relevant violations of labour principles.

Our quality management system incorporates two processes that provide the info required to measure the outcomes. On the internal front, the human resources process provides information on our compliance with the requirements of the ISO 9001 standard, which are fully on-line with the human rights principles. On the external front, the procedure on the selection of suppliers makes sure that our partners also comply with the same principles we follow.

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ENVIRONMENTAL PRINCIPLES

Assessment, Policy and Goals

CESO supports a precautionary approach to environmental challenges and encourages the diffusion of environmental friendly technologies.

The footprint and impact of our company is relatively modest. Still, we're committed to make it even more sustainable and do plan to implement in the next year some specific measures:

- 100% recycled paper - on our activity consumes significant amounts of paper. We've reducing significantly the paper used in our activity and do plan to use only recycled papers.

- Carbon Emissions - our activity requires hundreds of air travels each year. We're studying the possibility of compensation of the carbon emissions, through voluntary mechanisms, of our flight travels and incorporate them in our budgets.

Implementation

We implemented a system to separate and recycle waste and actively promoted it near our staff. In the last year we decided to replace the supply of plastic bottles of water for water machines that both use much less plastic and recycle the waste.

Measure of Outcomes

The elimination of plastic bottles of water represented more than one thousand of plastic bottles per year acquired by our company.

ANTI-CORRUPTION PRINCIPLES

Assessment, Policy and Goals

CESO supports the *UN Convention Against Corruption*. Corruption and bribery in our industry do exist and we feel that these practices not only compromise the social merit of development aid but also undermine the efforts of the large majority of transparent agents working in this area. Thus, not only we promote and support these measures as we do intend to ask our suppliers to adhere to the same principles.

On the other hand, being a company with a certified quality management system we make sure that all employees, partners, business associates and contractors haven't been involved in any corruption activities. Any suspicion of involvement in corruption or fraudulent activities must be reported to the Board.

Implementation

The Board is directly responsible for the anti-corruption policy of the company. New employees receive specific training on fraudulent situations.

Measurement of Outcomes

In more than 3 decades of history, CESO has no track record with incidents of corruption or bribery.

Our quality management system is audited twice a year (one by an internal auditor and another one by an external auditor). The monitors make sure that we comply with internationally accepted principles in what concerns anti-corruption principles.

Every year the Board of the Company reviews the outcomes achieved in both processes and this review is certified by an external auditor (Bureau Veritas).