

GLOBAL COMPACT - Communication on Progress 2021

GENERAL

Statement of Continued Support by CESO

I'm pleased to confirm that CESO Development Consultants (formally registered as CESO CI Internacional) reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption.

CESO is a consulting company focused on the social merit of its projects. 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. CESO is committed in the protection of all its employees, corresponding salaries and fringe 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, including financial support. 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, we focus the design of our projects on the social merit of the interventions, particularly through active measures of 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 for our daily activity.

During 2019, CESO prepared a prospective document entitled "Development Strategy for Horizon 2030 (CESO 2030)" which presents a reference scenario that should frame the future of the company.



The document “CESO 2030” explains the transformations and innovations concerning the work and management processes to be assumed in the company's trajectory for the next decade and reaffirms CESO's commitment to its core values:

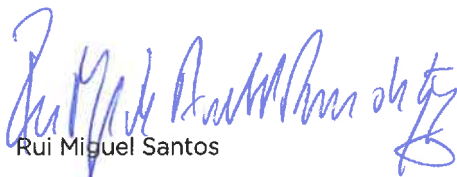
- 1) The Centrality in the Human Person;
- 2) Solidarity and Social Responsibility;
- 3) Sustainable Development of Customers and their economies.

In line with these values, the company provides, among the principles stated therein, a prime position for People and Knowledge, to enhance and integrate knowledge and skills of its members and collaborators. On the other hand, CESO has at the origins of its Business Project, the priority of promoting a more humane, fairer and sustainable development, as well as “Being an Active Agent of Development and Cooperation” as one of its main principles.

For the *Horizon 2030*, the company considers, among its main strategic objectives, to sustainably increase its level of activity, to boost the pace of productivity growth and competitiveness and to Improve working conditions, namely by redefining the remuneration system and enhancing the qualifications of its managers, staff, technicians and consultants, both through internal training and the process of recruiting new workers and significantly improving internal information and communication processes.

Finally and regarding the COVID 19 pandemic situation, CESO maintained the job position of all the employees who collaborated with the company before without having resorted to the layoff and, therefore, to any state aid. Since early 2020, CESO has also put in place a set of guidelines and measures to protect internal staff and external consultants, as well as to mitigate the negative impacts of the pandemic situation on our operation.

Lisbon, January 10th, 2022



Rui Miguel Santos
CEO



ceso
A ADMINISTRAÇÃO

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 protection of human rights principles.

Continued support to the promotion of the social merit of our intervention is a major goal for the company. CESO has in place specific measure to favor 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), CESO focuses its attention on the protection of our employees, notably implementing action such as :

- 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.
- Health Insurance - CESO improved the terms and conditions on the private health insurance.

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, namely through the provision of a support value to employees with children at school age, we are particularly committed to protect health and safety of our employees being our company audited by an external entity - *CentralMed* - that confirms our compliance with national and international standards. This entity also verifies the conformity of the company's facilities in what concerns hygiene and safety.

To promote physical and psychological well-being of the employees, the company provides regular access to a gymnasium located near the facilities by sharing the inscription costs and monthly fees.

CESO has also improved the health insurance conditions for employees by expanding the coverage in disease assistance.

Concerning the consultation with employees, the company implemented 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.

In order to contribute to the integration of our employees and to the sharing of the core values of the company, we provide training in different fields of expertise, such as:

- Information technologies;
- Internal processes;
- Areas of technical specialization;
- General training actions.



Measure of Outcomes

In more than 4 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.

CESO has, as a core value, a commitment to provide high quality services and this determines the way we work. For this we have developed tools to ensure an adequate understanding of our client's needs, adapt our activity to match their expectations and assess their degree of satisfaction.

All this is integrated into our quality management system, which involves all business processes, to ensure that the acquisition, administration and management of each project is optimized to deliver its results in a efficient and effective way, hence producing positive impacts.

The outputs produced by our experts are submitted to careful analysis, to guarantee that the final products are technically rigorous and able to exceed our customer's expectations.

CESO's quality management system is certified by Bureau Veritas according to standard ISO 9001 and has the following quality policy:

CESO's QUALITY POLICY

The Quality Management System adoption is a strategic decision of CESO that allows it to continuously improve its performance.

Thus, management undertakes to fulfil with applicable requirements and continuous improvement of its Quality Management System and to be responsible for its effectiveness, taking into account the needs and expectations of customers and all relevant stakeholders, as well as the statutory and regulatory requirements applicable to its products and services.

Its Quality Policy is based on the following principles, in line with the defined strategic orientation:

- To satisfy the explicit and implicit requirements of the financing entities in its specifications and the fulfilment of the contractual obligations for the satisfaction of these and the clients;
- Provide consultants and employees with the necessary means for the proper performance of their duties;
- Commit and hold employees accountable in achieving the quality and development objectives of the company in order to improve the results of the processes of

realization of products and services and the penetration of the company in current and new markets;

- Select qualified suppliers of tangible and intangible goods and control their supplies to achieve the defined quality level and the company sustainability;
- Establish partnerships for the realization of products and services to enhance the defined strategy.

Whenever necessary, and with a view to continuous improvement, the Quality Policy will be reviewed and updated.

The Quality Policy provides for the establishment and revision of the Quality Objectives and is communicated and made available to all those interested in the success of CESO CI Internacional.

ENVIRONMENTAL PRINCIPLES

Assessment, Policy and Goals

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

Implementation

We implement a system to separate and recycle waste and actively promoted it near our staff. We already replace the supply of plastic bottles of water for water machines that both use much less plastic and recycle the waste.

We have a new lighting system using LED lamps. This change ensures greater energy savings for the company and better environmental quality for our employees. To increase energy efficiency and environmental quality, CESO renewed all the windows frames in the office and placed new PVC supports with double glazing that provides better thermal and acoustic insulation.

Measure of Outcomes

The elimination of plastic bottles of water represents 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 most 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 4 decades of history, CESO has no track record with incidents of corruption or bribery.



CORPORATE SOCIAL RESPONSIBILITY POLICY

In 2020, CESO created the *Corporate Social Responsibility Policy*.

As defined in the International Standard on the subject (ISO 26 000) *Corporate Social Responsibility* is "the responsibility assumed by an organization for the impacts of its decisions and activities on society and the environment, through ethical and transparent behavior that:

- Contributes to sustainable development, including the health and well-being of society.
- Considers the expectations of different stakeholders.
- Complies with applicable law and be consistent with international standards of behavior.
- Is integrated throughout the organization and practiced in the context of your relationships."

Thus, CESO will assume the European Commission's Guidelines in this area, namely, those relating to:

- Labor practices, such as human rights, work and training, diversity, gender equality, health and well-being of workers.
- Environmental issues such as biodiversity, climate change, efficient use of resources and pollution prevention.
- Fight against corruption.
- Involvement and contribution to community development.
- Inclusion of people in situations of inequality, and.
- Consumer interests and benefits.

CESO implements a Responsible Business Conduct (CER), aiming at a positive contribution to economic, environmental and social progress, towards an inclusive and sustainable development and to avoid/combat adverse impacts related to its activity, products or services, direct and indirect.

In this sense, CESO seeks to permanently anticipate, assess and promote the satisfaction of the needs and expectations of its customers, shareholders, workers, employees, suppliers and the surrounding community.

MEASURES ADOPTED WITHIN THE FRAMEWORK OF COVID-19 PANDEMIC

As a result of *COVID 19 Pandemic*, CESO adopted a set of measures, aimed at protecting its employees and consultants, as well as mitigating the impacts resulting from that Pandemic.

Between March and May 2020 most employees were absent from the office carrying out their functions under teleworking, in line with the guideline's issues by the *World Health Organization* and the Portuguese al, by the *General Directorate of Health*

Since early June 2020, the work in the office started to obey a regime of weekly shifts, to ensure a lower number of staff in the office at each moment, while CESO provided its employees with social protection equipment and access to serological tests. Opening hours became flexible to avoid periods of greater affluence in public transport and CESO provided financial support for travel to and from the office.

The internal communication processes were improved, namely with the use of software that allows all employees, to easily share information, data, projects, decision-making processes, among others.

It should also be noted that CESO employees have been supporting different institutions of social solidarity through an initiative called "CESO SOLIDÁRIO", contributing monthly with necessities or other articles or goods identified by the referred institutions.

Lisbon, January 10th, 2021

