



United Nations Global Compact **Communication on Progress 2008**

 **Promon**



Message from the Chief Executive Officer



Promon is an ongoing project built around the idea that it is possible to do business ethically, participate in the nation's development and generate results in a consistent manner without leaving aside the human dimension that represents the essence of the project itself. More than 20,000 people have worked at Promon since its foundation, offering their contributions and helping to shape the organisation as it is today.

Throughout the almost 50 years of its history, this Brazilian company has frequently reinvented itself without ever abandoning the vision of offering the conditions for professional and human fulfilment to all those who take part in its project.

We therefore believe that, in pursuing socio-environmental sustainability, organisations can and should go beyond the indispensable adoption of policies and practices aligned with the principles of corporate social responsibility, by including the requirements of sustainability among the fundamental elements that define their culture and inserting these requirements into their goals and strategies.

By continuing to support the Global Compact we publicly reaffirm and express the principles and values in which we believe and which have always been present ever since our foundation.


Luiz Ernesto Gemignani
CEO



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

Commitment

Ethics are at the core of everything Promon does. In striving to harmonise the interests of its staff, clients, suppliers and other stakeholders, and prioritising respect for the human being in every relationship, Promon recognises its role as an agent of social development.

System: Organisational Culture

Action
Ethical Guidelines

Performance

The "Campos do Jordão Charter" was drafted in 1970 by a group of leaders who reassembled in 2000 to update the document's language and adapt it to contemporary circumstances. The result is expressed in the document "Vision, Mission & Values".

System: Organisational

Action
Ownership Structure

Performance

Promon's equity is owned solely by its employees. Acquisition of shares is available to all employees without exception, on a voluntary basis. The share ownership allows Promon's professionals to participate actively on the company's governance by appointing its leaders by direct and secret vote. Elections to choose the members of the Board of Directors and the Director-general are held every three years and are conducted by independent auditors. The profit obtained through the company's operation is totally destined to its professionals through the following mechanisms:

- semiannual profit sharing programme covering all staff (shareholders or not);
- dividends paid to shareholders, all of whom are Promon employees;
- reinvestment in the business, which in turn sustains the share price.

System: People

Action
Occupational Health & Safety

Performance

Promon's occupational health, safety and environmental management systems are certified against OHSAS 18001 and ISO 14001. Actions to prevent accidents and comply with legal and regulatory requirements assure the provision of a safe and healthy working environment while minimising occupational accidents and illness.

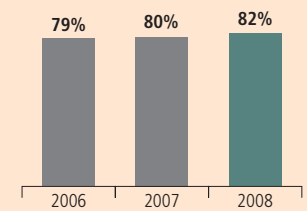
Present in Promon offices and at all worksites, covering some 1,000 employees plus approximately 2,000 contractor staff and surrounding communities.

Guidance for visitors and suppliers – Visitors to Promon's offices are given leaflets with basic information on emergency action, emergency telephone numbers, escape routes, and information on recycling of materials. Worksite visitors and suppliers receive guidance and explanatory material on basic precautions to be taken while at the worksite.

Office environment and worksite induction training – Information on Promon's Health, Safety & Environment Policy, its HSE Management System, workplace conditions and climate, risks inherent in the job, emergency telephone numbers, escape routes, and key work procedures and instructions for all office and worksite staff.

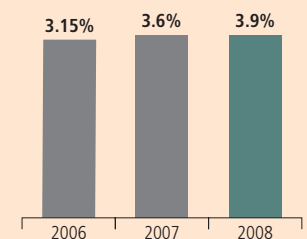
Indicators

Proportion of workforce who own stock in the company



Source: Financial Management / Promon

Percentage of training man/hours conducted in the Workers Health and Safety in Operations vs. working man/hours



Source: Quality Management / Promon



One of the winners of the quality award Prêmio Nacional da Qualidade – 2007

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System: People

Occupational Health & Safety

Action

Performance

Daily Worksite HSE toolbox talks – Talks held before work begins, led by site foreman or supervisor, to discuss aspects of and risks inherent in activities to be performed that day.

HSE kick-off meetings with subcontractors –

Meetings led by the head of HSE to explain Promon's HSE guidelines, including the corporate policy, goals and targets, as well as targets for the activity in question.

Emergency drills – Evacuation drills, basic firefighting, procedures to respond to alarms resulting from a gas leak or chemical spill etc., assuring that all staff know what to do in an emergency or contingency.

Specific training – Provided whenever necessary, when a need is detected by surveys or when required by non-compliance, accidents or emergency situations.

Safety Week – Organised by the company's accident prevention committees, for education and training on ergonomics, AIDS, STDs, stress, use of fire extinguishers, and safe behaviour.

Quality of Life Programme

Action

Performance

Open House – Annual event for employees' families to visit the company on a specific day and take part in specially planned activities.

Flextime – Introduced by Promon in 1973, a system of flexible working hours whereby staff can choose times to clock on and off, subject to agreement with managers and within predetermined periods.

Pension fund – Introduced in 1976 and available to all staff.

Loans – Personal loans from Promon are available to all staff, in amounts corresponding to up to 12 months' pay. The company finances purchases of company shares by employees.

Layout – Offices and other workspaces are mainly open-plan, with common rooms and furniture designed to facilitate integration of staff.

Short vacation internship – School students aged 17-21 are admitted as interns during school vacations to develop behavioural skills, prepare for the selection process and familiarise themselves with the world of business (includes family members).

Happy Hour – Special event to enhance integration and communication, held on the last Friday of the month; includes introducing new members of staff and celebrating birthdays that fall during the month.

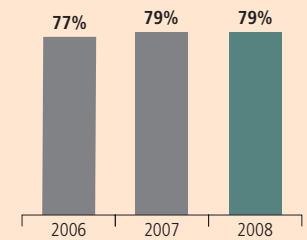
Photos in Focus – Exhibition of photos taken by staff on topics of their choice or a set theme (the show is based on a suggestion by two employees).

Healthcare – First-class medical plan for all employees and for retirees who agree to pay the full contribution.

Voluntary check-up – On reaching certain ages, employees who have worked at Promon for more than a year can choose to have a general health check-up and receive medical advice based on the results (the company bears the cost of this programme).

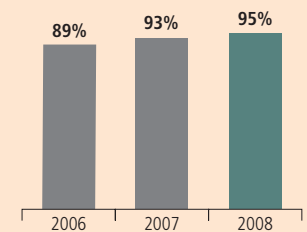
Indicators

The company encourages the balance of professional and personal lives of their employees ("yes" answers)



Source: "Melhores Empresas para Trabalhar", Época magazine and Great Place to Work Institute, 2008

Positive evaluation of the Open House Program



Source: "Pesquisa de Práticas", 2008 (Workplace Climate Survey)



Recognized in all editions of *Guia Exame Você S/A* as one of the best places to work in Brazil. Elected "Company of the Decade in 2006".

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System: People

Action Quality of Life Programme

Performance

Preventive tests – All employees have an opportunity to undergo preventive tests during Safety Week, including blood pressure, eyesight, eye pressure, early diabetes detection and cholesterol.

Gymnastics – Physical exercises in the workplace to improve fitness and physical performance, concentration, and posture.

Quick massage – Physical therapy in the workplace, focusing on body energy balance and muscle relaxation.

Fitness centre – Promon has a fully equipped fitness centre occupying about 100 square metres in the penthouse of its office complex.

Sport tournaments – Ongoing activities, including soccer and volleyball, as well as seasonal activities, such as sport tournaments for staff and families.

Walking – PE specialists supervise walking exercise for staff and families, with relatively undemanding options to cater for all ages and physical conditions.

Staff personal profile survey – Social and cultural interests are regularly surveyed as a basis for recommendations to further employees' personal development.

Dancing, guitar and choral singing classes – Available to staff, interns and service providers (offered on the basis of the personal profile survey findings).

Action Hiring & Induction

Performance

Promon does not permit discrimination on grounds of age, gender, colour, race, creed or sexual preference in recruitment and selection.

Action Internal Communication

Performance

Corporate portal – Created in 2002 to provide staff access to all the necessary company information.

"Promon Comunidade" – Monthly newsletter with articles about Promon on topics such as people, business, social responsibility and internal projects.

Specific meetings – Open to all staff to encourage discussion and dissemination of ideas.

Regular forums – Lunchtime meetings known as Mastigando Idéias ("Chewing Ideas") held since 2000 to enable staff to swap experiences on subjects relevant to the company.

Blogs – Introduced on the intranet in 2007 to enhance communication and dissemination of content relating to matters of importance to the company. We currently have 16 blogs covering business, sustainability and the affairs of the Secretarial Development Committee.

Action Pay

Performance

Self-proposed salaries – Staff propose salary levels using a standard form with a justification for the parameters involved. After analysis and assessment by managers, including interaction with the individuals concerned, the results of the salary review are communicated to each professional.

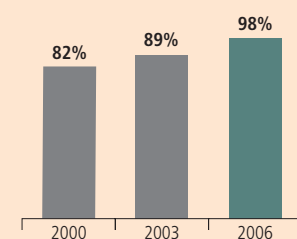
Action Professional Development

Performance

Promon does not permit discrimination on grounds of age, gender, colour, race, creed or sexual preference in its training processes.

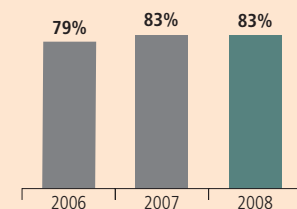
Indicators

Positive assessment of the Communication Area



Source: "Pesquisa de Práticas", 2008 (Workplace Climate Survey)

The company offers me training or other forms of development for my professional growth ("yes" answers)



Source: "Melhores Empresas para Trabalhar", Época magazine and Great Place to Work Institute, 2008

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System: Society & Environment

Action
Engagement in Social Initiatives

Performance

Signatory of National Compact to Eradicate Slave Labour in Brazil – Promon is a signatory of the Compact, based on a report by the International Labour Organization (ILO), undertaking not to acquire goods whose production chain involves slave labour.

Member of Movimento Todos Pela Educação – The “All for Education Movement” is an alliance of civil society, business, social organizations, educators and public administrators in education to guarantee basic schooling of high quality for all by 2022, when Brazil celebrates its independence bicentennial.

Member of Movimento Nossa São Paulo: Outra Cidade – “Our São Paulo: Another City” is a movement comprising dozens of civil society organisations whose aim is to build a political, social and economic force through comprehensiveness, representativity, credibility, commitment and effectiveness that will engage society and successive governments with an agenda and a set of targets to offer a better quality of life to all inhabitants of the city.

Member of Instituto Ethos de Empresas e Responsabilidade Social – Since 2000 (Instituto Ethos is a nonprofit whose mission is to promote CSR).

Member of Instituto Akatu pelo Consumo Consciente – Since 2007 (Instituto Akatu is a nonprofit whose mission is to raise consumer consciousness of the value of sustainable goods and services).

Member of Brazilian Global Compact Committee – The committee comprises 32 companies which voluntarily work with the Global Compact Network, provide guidance for signatories, and promote adoption of the Compact’s Principles by the management of companies operating in Brazil. Texto da Fundação Nacional da Qualidade

Member of the Fundação Nacional da Qualidade – Fundação Nacional da Qualidade (National Quality Foundation) is a Brazilian center of study, discussion and knowledge about irradiation of excellence in management contributes to improving the management, to increase the competitiveness of organizations and thus improve the quality of life of the Brazilian population.

Action
Social Investment

Performance

Instituto Razão Social – The IRS is a nonprofit institution founded by Promon and other companies to help improve the quality of public education in Brazil. It is currently funded by Gerdau and Instituto Camargo Corrêa as well as Promon.

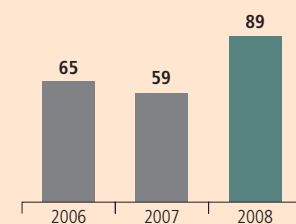
IRS initiatives

Gestão para o Sucesso Escolar – “Management for School Success”, developed by Fundação Lemann with methodology and content structured by Instituto Protagonistas, is a course based on distance learning for public school principals emphasising best management practices as a routine part of school administration, and the use of assessment tools to diagnose learning processes and develop an action plan to address issues raised by the diagnosis. It also aims to influence public policy in education.

Programa Além das Letras – “Beyond Letters” is a programme that includes a set of prizes awarded to outstanding initiatives in literacy teaching all over Brazil. The winners are invited to join the first Virtual Network of Literacy Instructors, sharing experience and disseminating didactic content and teaching methods with the support of Instituto Avisa Lá.

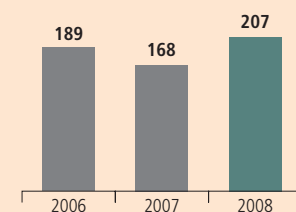
Indicators

Number of municipalities covered by Instituto Razão Social



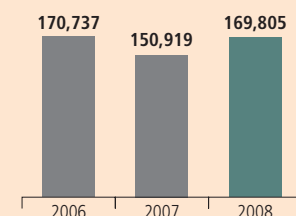
Source: Instituto Razão Social

Number of educators benefiting from projects supported by Instituto Razão Social



Source: Instituto Razão Social

Number of students benefiting from projects supported by Instituto Razão Social



Source: Instituto Razão Social

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System: Society & Environment

Action
Social Investment

Performance

IRS initiatives

Programa Formar em Rede – Launched in 2007, the “Network Training” programme is a virtual community comprising teacher trainers from 25 municipal departments of education in locations where the sponsoring organisations operate. These organisations are Instituto Camargo Corrêa, Instituto C&A, Grupo Gerda and Natura, as well as Promon. Its mission is to enhance the quality of early education for Brazilian children. The pedagogues participate in face-to-face activities such as training seminars as well as distance learning activities, creating a real context for the use of technology to exchange experiences and disseminate educational knowledge.

Ação Comunitária do Brasil – ACB is a nonprofit that since 1967 has run programmes in education, culture and citizenship to advance social inclusion for people in situations of social vulnerability. It currently focuses on capacity building and networking for community leaders, providing legal support for the creation of neighbourhood associations, and mobilising residents.

ACB initiatives

Projeto Som, Ritmo e Movimento – “Sound, Rhythm & Movement” runs cultural activities for children and young adults in music, dance and other performing arts, as well as sport and capoeira.

Projeto Crê-Ser – “Growing & Becoming” aims to help schools network with families and communities to protect children and defend their rights, while enabling them to experience high-quality education in such areas as reading and writing, visual and plastic arts, music, games, and developing study habits.

SORRI-Brasil – Nonprofit that promotes the rehabilitation, education, training and inclusion of people with disabilities, as well as combating prejudice and raising social awareness of the issue.

SORRI-Brasil initiatives

Contando História - Convivendo com as Crianças com Deficiência – “Storytelling and Living with Children with Disabilities” is a project designed to make teachers and children in São Paulo’s nursery schools aware of issues relating to children with disabilities via games and art.

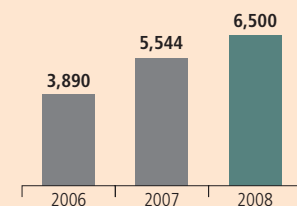
Organização de Desenvolvimento Cultural e Preservação Ambiental/AMA-Brasil – Nonprofit whose mission is to contribute to conservation of Brazil’s historic, artistic and environmental heritage.

Organização de Desenvolvimento Cultural e Preservação Ambiental/AMA-Brasil initiatives

Museu do Diálogo no Escuro – “Dialogue in the Dark Museum”, located in the Galleria mall in Campinas (São Paulo State), educates the public about the experience of visual impairment, with the aim of changing mindsets on disability and diversity, and increasing tolerance.

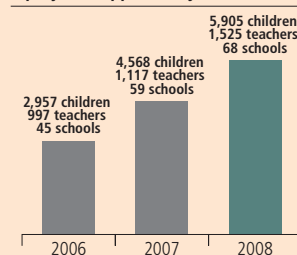
Indicators

Number of people benefiting from projects supported by Ação Comunitária do Brasil



Source: Ação Comunitária do Brasil

Number of people benefiting from projects supported by SORRI-Brasil



Source: SORRI-Brasil

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System: Society & Environment

Action
Voluntary Service Programme

Performance

Supports volunteering initiatives by recognising, encouraging and publicising the activities of staff, retirees and service providers, especially in working with public schools to improve the quality of basic education.

Junior Achievement – Junior Achievement is an organization dedicated to educating children about work readiness, entrepreneurship and financial literacy through experiential, hands-on programmes while they are still at school. Its main goal is to stimulate personal development, help them build a clear vision of the world of business, and facilitate access to the labour market.

JA initiatives

Programa Introdução ao Mundo dos Negócios – “Introduction to the World of Business” presents concepts and basic principles of business management through games and other fun activities in five one-hour classes on one day each week. The idea is to help students develop awareness while acquiring skills and practical knowledge of the way business is done in a free-market society. It also aims to help them understand the importance of education and regular school attendance.

Programa Nosso Mundo – “Our World” is an educational programme comprising five one-hour classes on one day each week to teach children about the basics of countries’ economic interdependence, imports and exports, and other benefits, complexities and aspects of world trade. Activities include games and the development of a small international marketing project.

Programa Economia Pessoal – “Personal Economics” is an educational programme designed to help seventh-grade schoolchildren to understand their interests and personal abilities, explore career options and discover the value of education. They also learn about budgeting, managing personal and family finance, and the pros and cons of credit. It consists of ten weekly classroom meetings lasting 45 minutes each. Entirely cost-free for schools and their students, the programme is led by instructors with business experience and trained by Junior Achievement.

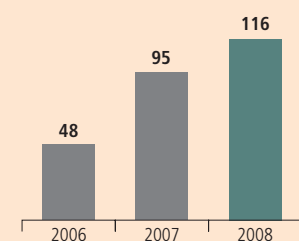
Ação Comunitária do Brasil – ACB is a nonprofit that since 1967 has run programmes in education, culture and citizenship to advance social inclusion for people in situations of social vulnerability. It currently focuses on capacity building and networking for community leaders, providing legal support for the creation of neighbourhood associations, and mobilising residents.

ACB initiatives

Programa de Preparação para o Trabalho – “Work Readiness” helps young people develop knowledge, skills and attitudes to enhance their employability and social inclusion. Participants are welcomed to Promon’s offices, where they watch presentations and take part in group dynamics led by Promon professionals on self-development, employability, the selection process, how to draft a CV, and how to prepare for an interview.

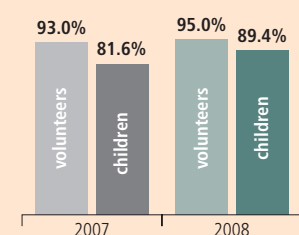
Indicators

Number of young participants in PPT visits to Promon



Source: Human Resources Management / Promon

Percentage of positive responses (excellent) of the volunteers and children participating in Voluntary Service Programme



Source: Human Resources Management / Promon

Principle 1
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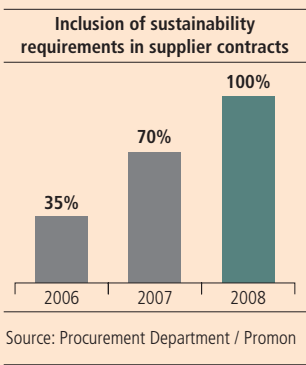
Commitment:
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System: Partners & Suppliers

Action	Performance
CSR Clause in Supplier Contract	Inclusion of CSR requirements based on Social Accountability Standard SA8000 in supplier selection and assessment procedures.
Action	Performance
Assessments for Supplier Qualification & Monitoring	Supplier selection and performance assessment based on documents that prove the legality of their activities in the marketplace.

Indicators



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

Commitment
Promon is committed to ensuring that all business units of the organization avoid complicity in human rights abuses.



System: People

Action	Performance
Hiring & Induction	Promon does not permit discrimination on grounds of age, gender, colour, race, creed or sexual preference in its recruitment and selection processes.
Action	Performance
Employee Development	Promon does not permit discrimination on grounds of age, gender, colour, race, creed or sexual preference in its training processes.

System: Society & Environment

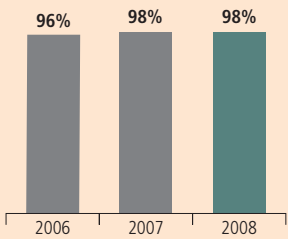
Action	Performance
IBASE CSR Report	Statistical breakdown of workforce by gender, age (over 45), hierarchical level and ethnicity is presented on Promon's CSR Report based on standard developed by IBASE – Brazilian Institute of Social and Economic Analysis.

System: Partners & Suppliers

Action	Performance
CSR Clause in Supplier Contract	Inclusion of CSR requirements based on Social Accountability Standard SA8000 in supplier selection and assessment procedures. Staff in HR, Legal, Procurement, Administration and HSE trained as internal auditors of SA8000 compliance.
Action	Performance
Assessments for Supplier Qualification & Monitoring	Supplier selection and performance assessment based on documents that prove the legality of their activities in the marketplace.

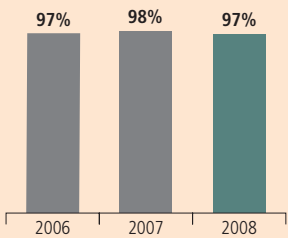
Indicators

Proportion completely agreeing that "people here are treated well regardless of colour or ethnicity"



Source: "Melhores Empresas para se Trabalhar", Época magazine and Great Place to Work Institute, 2008

Proportion completely agreeing that "people here are treated well regardless of gender"



Source: "Melhores Empresas para se Trabalhar", Época magazine and Great Place to Work Institute, 2008

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

Commitment

Promon respects the right of employees to join the associations of their choice, values other forms of voluntary association by its staff, and encourages suppliers to do the same. Furthermore, Promon offers all employees the opportunity of becoming shareholders of the company and has transparent and participative criteria for salary definition and negotiation.



System: Organisation

Action	Performance
Ownership Structure	<p>Promon's equity is owned solely by its employees</p> <p>Acquisition of shares is available to all employees without exception, on a voluntary basis. The share ownership allows Promon's professionals to participate actively on the company's governance by appointing its leaders by direct and secret vote. Elections to choose the members of the Board of Directors and the Director-general are held every three years and are conducted by independent auditors. The profit obtained through the company's operation is totally destined to its professionals through the following mechanisms:</p> <ul style="list-style-type: none"> ■ semiannual profit sharing programme covering all staff (shareholders or not); ■ dividends paid to shareholders, all of whom are Promon employees; ■ reinvestment in the business, which in turn sustains the share price.

System: People

Action	Performance
Freedom of Association	<p>Promon respects the right of employees to join professional associations and trade unions and engage in collective bargaining, thus respecting the freedom of association and other collective rights enshrined in Brazilian law.</p>
Action	Performance
Pay	<p>Self-proposed salaries – Staff propose salary levels using a standard form with a justification for the parameters involved. After analysis and assessment by managers, including interaction with the individuals concerned, the results of the salary review are communicated to each professional.</p>

System: Partners & Suppliers

Action	Performance
CSR Clause in Supplier Contract	<p>Inclusion of CSR requirements based on Social Accountability Standard SA8000 in supplier selection and assessment procedures. Staff in HR, Legal, Procurement, Administration and HSE trained as internal auditors of SA8000 compliance.</p>
Action	Performance
Assessments for Supplier Qualification & Monitoring	<p>Supplier selection and performance assessment based on documents that prove the legality of their activities in the marketplace.</p>

Indicators

Freedom of association

100% of our workforce belong to a trade union or professional association



Source: Human Resources Management / Promon

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

Commitment
 Promon will not tolerate worker exploitation under any circumstances and has no business or contractual relations with organisations that use any form of forced or compulsory labour.



System: Society & Environment

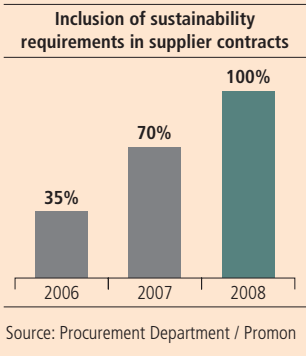
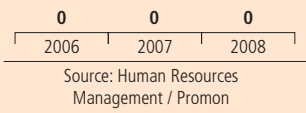
Action	Performance
Engagement in Social Initiatives	Signatory of National Compact to Eradicate Slave Labour in Brazil – Promon is a signatory of the Compact, based on a report by the International Labour Organization (ILO), undertaking not to acquire goods whose production chain involves slave labour.

System: Partners & Suppliers

Action	Performance
CSR Clause in Supplier Contract	All contracts signed by suppliers of goods and services include a clause repudiating and prohibiting the use of any form of forced labour or child labour throughout the supply chain.
Action	Performance
Documents Required	Supplier selection based on documents that prove the legality of their activities in the marketplace.
Action	Performance
Inclusion in supplier selection and assessment policies of specific criteria assuring the elimination of all forms of forced or compulsory labour	Inclusion of CSR requirements based on Social Accountability Standard SA8000 in supplier selection and assessment procedures. Staff in HR, Legal, Procurement, Administration and HSE trained as internal auditors of SA8000 compliance.
Action	Performance
Assessments for Supplier Qualification & Monitoring	Supplier selection and performance assessment based on documents that prove the legality of their activities in the marketplace.

Indicators

Number of violations of ban on child labour imputed to Promon by Ministry of Labour inspectors



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

Commitment

Promon will not tolerate under any circumstances the exploitation of children and young people under legal working age, and has no business or contractual relations with organisations that use child labour in any form.



System: People

Action	Performance
Programa Adolescente Aprendiz	"Adolescent Apprentice" is a programme designed to offer adolescents the opportunity for intellectual development and personal fulfilment, training them to be future employees and citizens, and developing their employability and integration into the labour market.

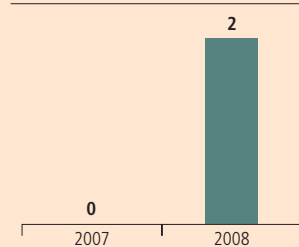
System: Society & Environment

Action	Performance
Engagement in Social Initiatives	<p>Signatory of National Compact to Eradicate Slave Labour in Brazil – Promon is a signatory of the Compact, based on a report by the International Labour Organization (ILO), undertaking not to acquire goods whose production chain involves slave labour.</p> <p>Member of Movimento Todos Pela Educação – The "All for Education Movement" is an alliance of civil society, business, social organizations, educators and public administrators in education to guarantee basic schooling of high quality for all by 2022. It has five major aims: all children aged 4-17 to attend school; all children to be fully literate by the age of 8; all children to attain a level of learning appropriate for their grade; all children to complete secondary schooling by the age of 19; rising, well-managed investment in education.</p> <p>Funding member of Fundação Abrinq pelos Direitos da Criança e Adolescente – The Abrinq Foundation was set up in 1990 to defend the rights and citizenship of children and adolescents.</p>

Action	Performance
Voluntary Service Programme	<p>Ação Comunitária do Brasil – ACB is a nonprofit that since 1967 has run programmes in education, culture and citizenship to advance social inclusion for people in situations of social vulnerability. It currently focuses on capacity building and networking for community leaders, providing legal support for the creation of neighbourhood associations, and mobilising residents.</p> <p>Programa de Preparação para o Trabalho – "Work Readiness" helps young people develop knowledge, skills and attitudes to enhance their employability and social inclusion. Participants are welcomed to Promon's offices, where they watch presentations and take part in group dynamics led by Promon professionals on self-development, employability, the selection process, how to draft a CV, and how to prepare for an interview.</p>

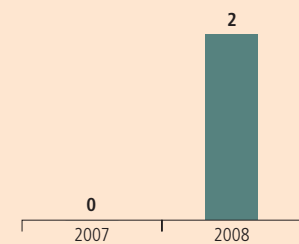
Indicators

Number of under-age apprentices



Source: Human Resources Management / Promon

Number of under-age apprentices hired at end of apprenticeship



Source: Human Resources Management / Promon

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

Commitment

Promon will not tolerate under any circumstances the exploitation of children and young people under legal working age, and has no business or contractual relations with organisations that use child labour in any form.



System: Partners & Suppliers

Action	Performance
CSR Clause in Supplier Contract	All contracts signed by suppliers of goods and services include a clause repudiating and prohibiting the use of any form of forced labour or child labour throughout the supply chain.
Action	Performance
Documents Required	Supplier selection based on documents that prove the legality of their activities in the marketplace.
Action	Performance
Inclusion in supplier selection and assessment policies of specific criteria assuring the elimination of all forms of forced or compulsory labour	Inclusion of CSR requirements based on Social Accountability Standard SA8000 in supplier selection and assessment procedures. Staff in HR, Legal, Procurement, Administration and HSE trained as internal auditors of SA8000 compliance.
Action	Performance
Assessments for Supplier Qualification & Monitoring	Supplier selection and performance assessment based on documents that prove the legality of their activities in the marketplace.

Indicators

Number of violations of ban on child labour imputed to Promon by Ministry of Labour inspectors			
	0	0	0
	2006	2007	2008
Source: Human Resources Management / Promon			

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

Commitment

Promon is committed to human relations policies geared to justice, transparency, impartiality and professionalism. No form of discrimination based on race, gender, social orientation, colour, religion, age, ethnic origin or any other factor is allowed in any business processes or in the workplace.



System: Organisation

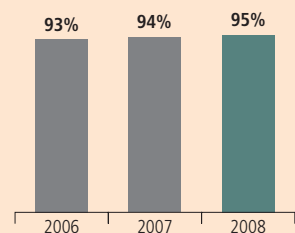
Action	Performance
Ownership Structure	<p>Promon's equity is owned solely by its employees</p> <p>Acquisition of shares is available to all employees without exception, on a voluntary basis. The share ownership allows Promon's professionals to participate actively on the company's governance by appointing its leaders by direct and secret vote. Elections to choose the members of the Board of Directors and the Director-general are held every three years and are conducted by independent auditors. The profit obtained through the company's operation is totally destined to its professionals through the following mechanisms:</p> <ul style="list-style-type: none"> ■ semiannual profit sharing programme covering all staff (shareholders or not); ■ dividends paid to shareholders, all of whom are Promon employees; ■ reinvestment in the business, which in turn sustains the share price.

System: People

Hiring & Induction	<p>Action</p> <p>Performance</p> <p>HR conducts the selection and admittance process entirely in line with Promon's commitment to eliminate discrimination in the organisation. Candidates participate in all stages of the selection process regardless of job description or hierarchical level.</p> <p>Persons with special needs – To offer people with special needs career opportunities, qualification, autonomy and independence, and to make an effective contribution to their inclusion in the world of work, Promon has established partnerships with several specialized consultancies who nominate candidates with disabilities.</p>
Pay & Benefits	<p>Action</p> <p>Performance</p> <p>The same benefits, including pay, medical care and retirement plans, are available to all professionals regardless of hierarchical level, function, gender, ethnicity, religion and age.</p>
Professional Development	<p>Action</p> <p>Performance</p> <p>Promotion strictly by merit, with no discrimination based on hierarchical level, function, gender, ethnicity, religion or age. The performance assessment system is the same for all staff regardless of hierarchical level, function, gender, ethnicity, religion or age. Professional development programmes are offered to all staff regardless of hierarchical level, function, gender, ethnicity, religion and age.</p>
Dismissal	<p>Action</p> <p>Performance</p> <p>Employees participate in all stages of the dismissal process regardless of job description or hierarchical level. HR assists employees with the production and dissemination of their resumes. Following dismissal, ex-employees may opt to continue paying for the pension plan provided they bear the full cost of the premium.</p>

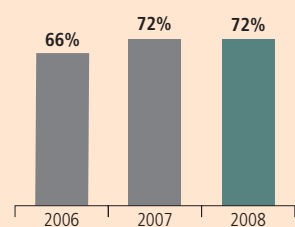
Indicators

Proportion rating top management honest and ethical in conducting the company's business



Source: "Melhores Empresas para Trabalhar", Época magazine and Great Place to Work Institute, 2008

All employees have the opportunity to receive special recognition ("yes" answers)



Source: "Melhores Empresas para Trabalhar", Época magazine and Great Place to Work Institute, 2008

Commitment

Promon is committed to human relations policies geared to justice, transparency, impartiality and professionalism. No form of discrimination based on race, gender, social orientation, colour, religion, age, ethnic origin or any other factor is allowed in any business processes or in the workplace.

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

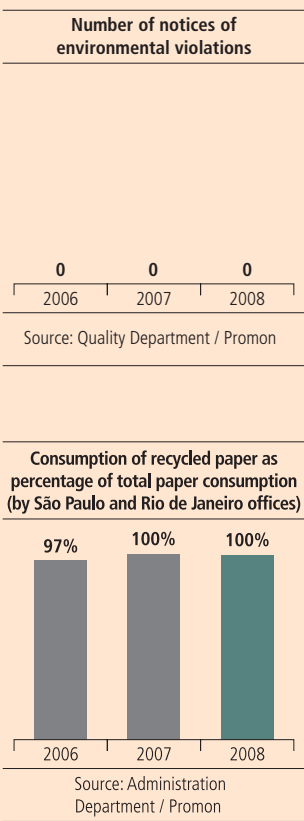
Commitment
 Promon acts to protect the environment wherever it does business. It uses natural resources rationally, preferring recyclable materials wherever possible and taking other steps to mitigate pollution of the air, water and soil as well as noise and visual pollution.



System: Society & Environment

Action	Performance
HSE Management System	Promon is certified against ISO 14001, the most widely recognised international standard for environmental management. The key component of its HSE Management System is the identification and preventive treatment of potential causes of damage to the environment, society or property, in full compliance with ISO 14001.
Action	Performance
Socio-Environmental Awareness Raising	Conservation or substitution of non-renewable resources and minimisation of the use of renewable resources, both in management of the organisation’s facilities and in the supply of products and services to clients and at worksites. Recycling of paper, plastic cups and fluorescent bulbs, use of recycled paper, collection and proper disposal of batteries used in offices, office furniture made of certified wood and reduction of electricity and water consumption are some of the preventive measures taken to address environmental challenges.

Indicators



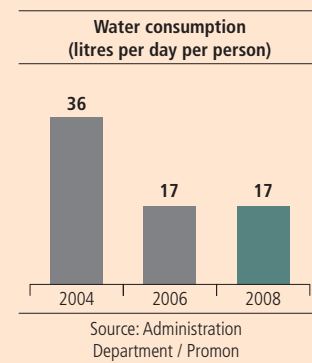
Principle 8
Businesses should undertake initiatives to promote greater environmental responsibility.

Commitment
 Promon promotes environmental responsibility in its regular operations and through educational and conscientious consumption programmes.

System: Society & Environment

Action	Performance
Recycling	Recycling of paper, fluorescent bulbs and plastic cups, use of recycled paper, collection and proper disposal of batteries used in Promon's offices.
Action	Performance
Reduction of Resource Consumption	Continuous programme to reduce office consumption of water and electricity. At worksites waste, residue and effluent are properly collected, stored and disposed of in accordance with guidelines and specific procedures for each project.
Action	Performance
Socio-Environmental Awareness Raising	HSE toolbox talks lasting at least 15 minutes daily are held at every worksite for Promon and contractor personnel. All new employees take an induction course that includes specific lectures on environmental management. Alongside awareness-raising events, including lectures and worksite campaigns, the annual calendar of internal events includes a meeting of the entire staff to discuss environmental and other issues with senior management, regular forums called Mastigando Idéias ("Chewing Ideas"), and engineering meetings coordinated by HR and Administration.

Indicators



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

Commitment

Promon is committed to developing and adopting sustainable technologies as an intrinsic part of its business.



System: Society & Environment

<p>Action</p> <p>On-Site Ecosystem Conservation Projects</p>	<p>Performance</p> <p>North Capixaba Terminal – Promon designed a special lighting system to assure zero impact on sea turtles nesting in the area, as well as special solutions for energy dissipation and temperature control during drainage of the site, avoiding river erosion and disturbance of the ecosystem, which supports crabbing by the local community.</p>
<p>Action</p> <p>Design of New Sustainable Technologies</p>	<p>Performance</p> <p>Duque de Caxias Refinery (Reduc) – Promon designed a solution to close the refinery's cooling system using ultrafiltration for water treatment. Ultrafiltration offers many advantages over conventional treatment, including production of raw water of satisfactory quality without using chemicals.</p>
<p>Action</p> <p>Procedure to Identify & Treat Environmental Impacts</p>	<p>Performance</p> <p>Henrique Lage Refinery (Revap) – Promon implemented a diesel hydrotreatment unit to increase diesel production from various different types of crude oil while reducing sulphur content. The project also included a hydrogen generation unit and an acid water rectification unit. During the detailing design Promon also researched and implemented solutions with a better environmental performance than that originally called for, both in the finished plant and in temporary facilities.</p> <p>Alberto Pasqualini Refinery (Refap) – Promon designed a naphtha hydrodesulphuriser, a process unit to remove significant amount of sulphur from fuel. Designed a diethanolamine (DEA) unit and a wastewater unit, too.</p>
<p>Action</p> <p>Design Involving New Energy Sources</p>	<p>Performance</p> <p>For COSAN, Brazil's leading sugar and ethanol producer, Promon designed a plant to produce ethanol from sugarcane, generate electricity for its own consumption and sell surplus power to the grid. The design called for the use of proven technologies such as diffuser extraction, treatment of juice using a clarifier with low retention time, heat regeneration, juice evaporation to generate process steam and reduce steam consumption, batch fermentation, yeast recovery by centrifugation, and distillation by direct heating with steam generation.</p>

Indicators



Recognized as one of the 20 model companies in corporate sustainability by Guia Exame de Sustentabilidade

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

Commitment

Promon does not tolerate corruption in any shape or form. All business processes include instruments that explicitly prohibit professionals from accepting or encouraging inducements or favours of any kind.



System: Organisation

Action	Performance
Guidelines & Practices	Guidelines for business conduct and accountability to shareholders. Guidelines for auditing.

System: People

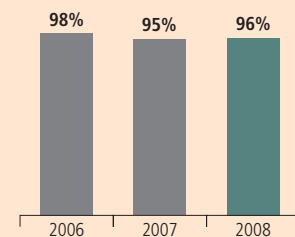
Action	Performance
Guidelines & Practices	<p>Conduct in respect of hiring, timekeeping, working time accounts, holidays, pay and benefits, employee mobility, use of the healthcare plan, compliance with safety standards, occupational health and environmental protection.</p> <p>Guidelines on access control, shipping, reimbursement, security, handling of internal and external documents and pouches, use of telephones, vehicles, and buying, selling, donating, transfer and safekeeping of property.</p> <p>Policies for use of hardware and software, internet use, email and telephony.</p> <p>Conduct in handling information relating to business management, clients and other stakeholders.</p> <p>Secrecy, transparency in relationships, commitment to technical solutions, and integrity in complying with all contractual and legal requirements.</p> <p>Clarity and objectivity in complying with technical and commercial requirements.</p> <p>Guidelines on relationships with internal and external stakeholders, visual identity, and publicity material.</p>

System: Society & Environment

Action	Performance
Engagement in Social Initiatives	Signature of Business Compact For Integrity & Against Corruption in Brazil – The anti-corruption compact (2006) comprises a set of guidelines and procedures governing relations between government and business organisations or other types of signatory.
Action	Performance
Guidelines & Practices	Commitment to environmental and social improvements and transparency in informing the public about social and environmental impacts.

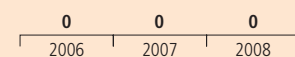
Indicators

Perception of ethics
 (respondents rated Promon an ethical company)



Source: "Pesquisa de Práticas", 2008
 (workplace climate survey)

Number of violations reported to weights and measures, public health surveillance, consumer defence authorities, government, NGOs etc.
 (irregularities in processes, services or products)



Source: Legal Department / Promon

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

Commitment
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System: Clients

Action	Performance
Guidelines & Practices	Ethics, secrecy, and compliance with technical and commercial requirements. Guidelines on understanding and meeting legal requirements relating to contracts with clients. Compliance with contractual requirements in payment process.

System: Partners & Suppliers

Action	Performance
Guidelines & Practices	Ethical principles in supplier relations. Guidelines on managing contracts with partners.
Assessments for Supplier Qualification & Monitoring	Supplier selection and performance assessment based on documents that prove the legality of their activities in the marketplace.

Indicators

Number of unfair trading complaints to antitrust and competition defence authority (CADE)

0	0	0
2006	2007	2008
Source: Legal Department / Promon		

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