

RODOVALHO ADVOGADOS

COMMUNICATION ON PROGRESS

Objective: This report aims at assessing the implementation of goals and principles of Global Compact in our structure.

Target audience:

- a) Internal - employees, partners and trainees;
- b) External - - customers, suppliers, service providers, local community, government and society.

Rated Period: July 2009 to July 2010.

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Tools or information sources to search:

- a) internal public;
- b) accounting documents (invoices from vendors, documents to collect taxes, balance sheet, receipts for salary payments, proof of discharge and social security contribution and the Guaranty Fund, invoices and water consumption of energy);
- c) the bylaws and organizational structure;
- d) identification of the chain of custody of raw material (paper) from its origin to its final disposition;
- e) external public

Format:

Ethos BE

Methodology:

With reference to the Global Compact principles, the research took into account the actions taken on the following topics:

- a) Self regulation of conduct which assess the ethical commitments, its scope and degree of rooting in organizational culture;
- b) that evaluates corporate governance practices in relation to human rights and goals of the Global Compact;
- c) Relations with the competition where the policies are evaluated for their relationship to the market;
- d) Relations with the company evaluates its relationships with internal and external public and social audit of their activities;
- e) Specifically in relation to their domestic audiences were evaluated questions concerning labor legislation and social security, respect for the rights of children, adolescents, women and the promotion of racial and gender equity; remuneration policy and safety and occupational

medicine.

f) As to environmental issues were assessed: the significance of environmental impacts caused by its activity in relation to inputs used, consumption of electricity and water, disposal of solid waste, environmental education;

g) In respect of its external public evaluated the criteria for hiring their chain of suppliers and their chain of custody, the social dimension of consumption, customer relations, relationships with the local community, social activities and financing of social action. As well as their actions with the political community; campaign finance and will combat corruption and bribery.

Once identified the issues raised were the indicators that allowed us to evaluate the degree of development of actions in relation to the proposed themes. Altogether 35 indicators were established distributed as follows:

INDICATORS

Self regulation of conduct:

1 - Ethical commitments

Coverage:

Stage set for the team:

Stage 1 - the company's values are being formalized in a letter of principles, but rather incorporated into work processes and attitudes and behaviors of people.
Additional Information:

The company YES NO

Publicly expose their ethical commitments by institutional material on the Internet or in a manner appropriate to their stakeholders? yes

The code of conduct and / or values statement of the organization
Include the following stakeholders: employees, suppliers, consumers, customers, community, government, and minority shareholders? yes

Expressly prohibit the use of illegal practices (bribery, corruption, extortion, bribery, box 2) for commercial advantage? yes

Are explicit commitments to ethics in the management of privileged information or private nature acquired during the company's processes with its various stakeholders (customers, employees, suppliers, etc.)? yes

Are explicit commitment to transparency and accuracy of information from stakeholders? yes

The code of conduct and / or values statement of the organization covering such topics as:

Compliance with laws and paying taxes? Yes

Concussion, questionable payments or receipts? Yes

Explicit rules in relationships with public officials? Yes

Conflict of interest? Yes

Donations

Active and passive corruption? Yes

Administrative dishonesty? Yes

Collusion in bids? Yes

Limits on political activities and contributions? Yes

Community Relations? Yes

Nepotism? Yes

Fraud prevention and treatment? Yes

A company has:

Committee, council, or formal charge internally for ethical? No

Committee, council or guardians of ethical issues externally? No

Encourages consistency between values and ethical principles of organization and individual attitudes of its employees? Yes

Binds specifically the performance of the accounting and legal advisors to the code of conduct and principles? Yes

In addition to meeting all the legislation in place to exercise and be current with their taxes, have procedures for all their employees know the laws to which they are subjected, both those relating to professional activities as those that benefit them, for that can fully comply with them? Yes

What can be done about this indicator

- Immediately - formalization of ethical commitments made
- After obtaining better information - developing code of conduct
- After planning - providing for internal and external audiences of the code of conduct and its incorporation into the company's strategic planning.

Indicator 2 - rooted in organizational culture

As for its effectiveness in the dissemination of ethical values and principles of organization:

Stage set for the team:

Stage 1 - the values and principles are transmitted to the domestic audience sporadically or at specific times and in hiring.

What can be done about this indicator

- Immediately - formalization of ethical commitments made
- After obtaining better information - developing code of conduct

- After planning - providing for internal and external audiences of the code of conduct and its incorporation into the company's strategic planning.

Indicator 3 - Governance

Regarding the organizational structure and corporate governance practices.

Stage set for the team:

In the implementation stage.

Company management

This includes respect for human rights as a formal criterion in their purchasing decisions and investment? Yes

Guides its operations in accordance with the Declaration of the International Labor Organization on fundamental principles at work? Yes

Guides its operations in accordance with the Global Compact Principles or in support of the Millennium Development Goals? Yes

The company's vision and strategy of the organization include contributions with respect to sustainable development? Yes

It has formal mechanisms or systems for periodic evaluation of its members? No

What can be done about this indicator?

- Immediately - formalization of the processes of corporate governance
- After obtaining better information - dissemination and application of governance principles in relation to domestic audiences;
- After planning - providing for internal and external audiences.

Indicator 4 - relations with the competition

As for the political relationship with the competition or organizations with the same purpose, the company:

Stage set for the team:

Stage 1 - follows the practice common to the market price, respects the law and seek a fair position.

Relationship of transparency with the company:

Additional Information:

The company states publicly and frequently its principles in relation to competition? Yes

Has policy of not demonstrating the shortcomings of the competition to promote their services? Yes

The unfair competition policy covers the production chain? No

Unfair Competition policy covers the following items:

- a) piracy? No
- b) tax evasion? Yes
- c) smuggling? Yes
- d) Tampering with brands or products? No
- e) counterfeit products? Yes

What can be done about this indicator?

- Immediately - formalized the code of conduct in relation to competition
- After obtaining better information - dissemination and application of the code of conduct domestic audiences;
- After planning - providing for internal and external audiences

Indicator 5 - Dialogue and engagement with stakeholders

Regarding their impact on different groups in society, the company:

Stage set for the team:

Stage 1 - is aware of the importance of dialogue and engagement with stakeholders for the success of the business, knows the intricacies and specific attributes of some of them (employees, customers and consumers, partners) and establishing channels of dialogue for maintaining these relationships.

What can be done about this indicator?

- Immediately - formalization of the processes of governance and communication with its internal
- After obtaining the best information - the public dissemination and application procedure;
- After planning - providing for internal and external audiences

Indicator 6 – Social

Regarding the report on the economic, social and environmental impacts of their activity, the company:

Stage set for the team:

Stage 1 - draw up a set without regular social reporting with information on their social and environmental activities.

What can be done about this indicator?

- Immediately - formalization of the process of social reporting
- After obtaining the best information - the public dissemination and application procedure;
- After planning - providing for internal and external audiences.

INTERNAL

Dialogue and Participation

Indicator 7 - relations with unions

Stage set for the team:

Stage 1 - not putting pressure on employees involved in union activities.

What can be done about this indicator?

- Immediately - formalization of the processes of personnel management, including the development of code of conduct, bylaws.
- After obtaining the best information - the public dissemination and application procedure;
- After planning - providing for internal and external audiences.

Indicator 8 - Participatory Management

Concerning the involvement of employees in management, the company:

Stage set for the team:

Stage 1 - Provides information about the company (history, vision, mission, policies, organizational structure, markets, key partners, customers) and train employees at enrollment in mainstream programs, training on new products and services, seminars and lectures on new policies and strategies so that they can understand and analyze them.

What can be done about this indicator?

- Immediately - formalization of procedures for personnel management
- After obtaining better information - implementation of procedures for the management and disclosure of commitments in respect of the principles of working relationship and company objectives.
- After planning - public disclosure to internal and external process of personnel management and evaluation processes. dissemination of results.

Respect for the individual

Indicator 9 - Commitment to the future of children

In addressing the issue of combating child labor, the company:

Stage set for the team:

Stage 1 - in addition to respecting the Brazilian legislation that prohibits the employment of persons under 16 years (except as an apprentice, between 14 and 18 years), discusses the importance of education and the consequences of child labor.

What can be done about this indicator?

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- Immediately - public disclosure of internal company's commitments regarding the protection of children and adolescents
- After obtaining better information - promotion of awareness actions with the internal and external audiences
- After planning - evaluation of actions taken and dissemination of results

Indicator 10 - commitment to child development

Considering its contribution to child development in the country and commitment to children's rights, the company:

Stage set for the team:

Stage 1 - with the legislation in force concerning the protection of motherhood, fatherhood, breastfeeding, formally forbidding any discrimination for pregnant women and employees (women and men, including subcontractors) with children under 6 years of age in the admission process, in promotion and internal mobility.

What can be done about this indicator -?

- Immediately - public disclosure of internal company's commitments regarding the protection of children and adolescents
- After obtaining better information - promotion of awareness actions with the internal and external audiences
- After planning - evaluation of actions taken and dissemination of results

Indicator 11 - Valuing Diversity

Recognizing the ethical obligation of businesses to combat all forms of negative discrimination and enhance the opportunities offered by the rich diversity of our society, the company:

Stage set for the team:

Stage 1 - follows closely the law related to prejudice and negative discrimination against states and behaviors that do not promote equal opportunities at work and relationships with customers, suppliers and surrounding community.

What can be done about this indicator?

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- Immediately - public disclosure of internal company's commitments regarding the pursuit of fairness in employment relationships
- After obtaining better information - promotion of awareness actions with the internal and external audiences
- After planning - evaluation of actions taken and dissemination of results

Indicator 12 - Commitment to non-discrimination and promote racial equality

Stage set for the team:

Stage 1 - follows closely the existing legislation prohibiting racial discrimination in the workplace and internally assumes a posture against any kind of prejudice towards all stakeholders.

What can be done about this indicator?

-
- Immediately - public disclosure of internal company's commitments regarding the pursuit of fairness in employment relationships
- After obtaining better information - promotion of awareness actions with the internal and external audiences
- After planning - evaluation of actions taken and dissemination of results

Indicator 13 - commitment to the promotion of gender equity

With the purpose of cooperating to fight prejudice, increase the odds of women in the labor market and enabling them to specialized functions, the company:

Stage set for the team:

Stage 1 - follows closely the Brazilian Constitution which prohibits gender discrimination in the workplace and internally assumes the stance against any kind of prejudice towards all stakeholders.

What can be done about this indicator?

-
- Immediately - public disclosure of internal company's commitments regarding the pursuit of fairness in employment relationships

- • After obtaining better information - promotion of awareness actions with the internal and external audiences

- • After planning - evaluation of actions taken and dissemination of results

- **Indicator 14 - Policy of compensation, benefits and career**

- In its remuneration policy, benefits and career, the company:

- Stage set for the team:

- Stage 2 - treats employees as a resource, encouraging them through remuneration and investment professional, taking into account the necessary skills for their current performance.

- What can be done about this indicator?

- • Immediately - formalizing its remuneration policy

- • After obtaining better information - dissemination and implementation of remuneration policy to the internal public

- • After planning - assessment of the mechanisms adopted and dissemination of results.

- **Indicator 15 - health care, condition and safety**

- Aiming to ensure good working conditions, health and safety, the company:

- Stage set for the team:

- Stage 1 - strictly complies with the legislation and plans and targets to achieve the standards of excellence in health, safety and working conditions.

- What can be done about this indicator?

- • Immediately - formalizing its policy protection, safety and health at work

- • After obtaining better information - dissemination and application to the internal public

- • After planning - assessment of the mechanisms adopted and dissemination of results.

- **Indicator 16 - Commitment to professional development and employability**

- To develop its human resources, the company:

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Stage set for the team:

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Stage 2 - maintains development activities and training, aiming at continuous improvement of all its staff and considering the applicability in their present positions.

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What can be done about this indicator?

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- Immediately - formalizing its policy of staff management

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- After obtaining better information - dissemination and application to the internal public

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- After planning - assessment of the mechanisms adopted and dissemination of results.

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Additional Information:

The Company:

Considering its social role in relation to trainees, offer good working conditions, learning and professional development and personal with proper monitoring? Yes

In closing the period through an internship program, seeks to employ the trainees in the company when it is not possible, placement in search firms and partner organizations? Yes

2009

Number of hours of professional development per employee per year – This information is not available

Percentage of women with elementary education II (6th to 9th grade) complete the labor force in July

Percentage of women with high school education in the workforce 16

Percentage of women with university graduates in the workforce 46

Percentage of men with university graduates in the workforce 31

Indicator 17 - Behavior of layoffs

Lead to dismissal processes, the company:

Stage set for the team:

Stage 1 - strictly follow existing legislation and gives the fired guidelines regarding the necessary procedures. In case of need for staff reduction, demand reduction and alternative containment of expenditure, to avoid massive layoffs.

Additional Information:

Company:had labor complaint concerning the dismissal in the last three years? No

What can be done about this indicator?

- Immediately - formalizing its policy of staff management
- After obtaining better information - dissemination and application to the internal public
- After planning - assessment of the mechanisms adopted and dissemination of results.

Indicator 18 - Preparing for retirement

In order to prepare employees for retirement, the company:

Stage set for the team:

Stage 1 - provides basic information about the procurement of retirement

What can be done about this indicator

- Immediately - formalizing its policy of staff management
- After obtaining better information - dissemination and application to the internal public
- After planning - assessment of the mechanisms adopted and dissemination of results

ENVIRONMENT:

Responsibility to future generations

To deal with due importance and responsibility environmental impacts of their activities, the company:

Stage set for the team:

Stage 2 - strictly complies with the parameters and conditions required by national legislation, develop internal programs for environmental improvement, in addition, preventive actions and has an area responsible for the environment.

Additional Information:

COMPANY:

Environmental policy is being formalized? Yes

Have one person responsible for the environmental area that participates in strategic decisions?
No

Participate in committees / local councils to discuss environmental issues with government and society? Yes

Programs have no explicit use of materials and supplies from areas of illegal exploitation of natural resources? Yes

Is implementing process mapping and systems analysis to improve environmental quality?
Yes

What can be done about this indicator?

- Immediately - formalizing its policy of staff management
- After obtaining better information - dissemination and application to the internal public
- After planning - assessment of the mechanisms adopted and dissemination of results

Indicator 19 - Education and environmental awareness

To contribute to public awareness of the environmental challenges resulting from human activity and growing social and environmental responsibility, the company:

Stage set for the team:

Stage 2 - systematically develops environmental education activities focused on internal stakeholders, vendors and customers.

Additional Information:

COMPANY:

Performs internal actions to promote conscious consumption? Yes

Performs internal actions for disposal of solid waste? Yes

Performs internal actions to reduce energy consumption? Yes

What can be done about this indicator?

- Immediately - formalizing its policy of staff management
- After obtaining better information - dissemination and application to the internal public
- After planning - assessment of the mechanisms adopted and dissemination of results.

Indicator 20 - Management of impacts on the environment and the life cycle of products and services

Considering the environmental impacts caused by its processes and products or services, the company:

Stage set for the team:

Stage 2 - in addition to fulfilling their legal obligation, seeks to know and develop actions to prevent major impacts caused by its processes and services and gives priority to hiring and suppliers that have good environmental conduct.

What can be done about this indicator ?

- Immediately - formalizing its policy of staff management
- After obtaining better information - dissemination and application to the internal public
- After planning - assessment of the mechanisms adopted and dissemination of results

Indicator 21 - Sustainability in forestry

Aiming to contribute to the conservation of forests and combating illegal exploitation and predatory as well as protect biodiversity, the company:

Stage set for the team:

Stage 3 - The timber supplies used in daily activities have certification of origin and chain of custody.

What can be done about this indicator?

- Immediately - formalize the process of controlling the chain of custody
- After obtaining better information - publicly disclosing internal
- After planning - evaluating the processes and disseminate the results to internal and external audiences.

Indicator 22 - Reduction of inputs and outputs of materials

With the aim of preventing and reducing environmental damage and optimize processes, the company:

Stage set for the team:

Stage 2 - has invested in technological upgrading, targeting and / or the reduction and substitution of resources input materials and reuse of waste, energy and water.

What can be done about this indicator/

- Immediately - formalize the process of controlling the chain of custody
- After obtaining better information - publicly disclosing internal
- After planning - evaluating the processes and disseminate the results to internal and external audiences.

SUPPLIERS:

Indicator 23 - Criteria for Selection and Evaluation of Suppliers:

To regulate their relations with suppliers and partners, the company:

Stage set for the team:

Stage 1 - has a policy of selecting and evaluating suppliers based on factors such as quality, price, period.

What can be done about this indicator ?

- Immediately - formalization of procedures for selecting and evaluating suppliers
- After obtaining better information - dissemination and implementation of the policy approved by the internal public
- After planning - evaluating processes, dissemination of results to the internal and external audiences.

Indicator 24 - Forced or analogous to slave

We had not addressed this issue before

Indicator 25 - Supporting the development of suppliers

In relation to suppliers of equal or smaller size, the company;

Stage set for the team:

Stage 1 - deals with transparency and establishing contractual relations based on commercial criteria.

What can be done about this indicator?

- Immediately - formalization of the process of selecting and evaluating suppliers
- After obtaining better information - dissemination and implementation of the policy approved by the internal public
- After planning - evaluating processes, dissemination of results to the internal and external audiences.

CONSUMERS AND CLIENTS:

Social dimension of consumption.

Indicator 25 - Policy for commercial communication

Stage set for the team:

Stage 2 - has a communication policy in line with its values and principles and covering all your communication materials, both indoors and outdoors.

What can be done about this indicator?

- Immediately - formalization of media policy
- After obtaining better information - dissemination and application by the domestic audience.

- When planning - evaluation of procedures, disclosure of the results with the internal and external audiences

Indicator 26 - Excellence in service

As for his commitment to the quality of customer service, the company:

Stage set for the team:

Stage 3 - Provides easy access to customer service, or information of interest, records and communicates internally manifestations resolved rapidly and individual demands and processes have improved to the adopted procedures.

What can be done about this indicator?

- Immediately - formalization of media policy
- After obtaining better information - dissemination and application by the domestic audience.
- After planning - evaluating processes, dissemination of results to the internal and external audiences

• COMMUNITY:

Relations with local community

Indicator 27 - Managing the company's impact on the surrounding community

Considering the possible impact on community life, the company:

Stage set for the team:

Stage 1 - seeks to take remedial action in response to complaints and protests from the community.

What can be done about this indicator

- Immediately - formalization of media policy
- After obtaining better information - dissemination and application by the domestic audience.
- After planning - evaluating processes, dissemination of results to the internal and external audiences

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Indicator 28 - Relations with local organizations

Relationship with community organizations, NGOs and public facilities located in the vicinity, the company:

Stage set for the team:

Stage 2 - supports several organizations with donations and disseminate successful projects and actions.

What can be done about this indicator?

- Immediately - formalization of social policy
- After obtaining better information - dissemination and application by the domestic audience.
- After planning - evaluating processes, dissemination of results to the internal and external audiences

Indicator 29 - Financing of social action

The financing of social action is based:

Stage 2 - annual budget allocations defined in managed transparently as previously established criteria.

What can be done about this indicator?

- Immediately - formalization of social policy
- After obtaining better information - dissemination and application by the domestic audience.
- After planning - evaluating processes, dissemination of results to the internal and external audiences

Indicator 30 - Involvement in social action

In order to achieve its social action, the company:

Stage set for the team:

Stage 1 - makes product donations and financial resources, encourage volunteer work of its employees and collaborators.

What can be done about this indicator?

- Immediately - formalization of social policy
- After obtaining better information - dissemination and application by the domestic audience.
- After planning - evaluating processes, dissemination of results to the internal and external audiences

GOVERNMENT SOCIETY

Transparency Policy

Indicator 31 - Contributions to political campaigns

Regarding the funding political parties and candidates for public office the company:

Stage set for the team:

Stage 1 - when finances is limited to the parameters established by legislation.

What can be done about this indicator?

- Immediately - formalizing its policy in relations with government and political class
- After obtaining better information - dissemination and application by the domestic audience.
- After planning - evaluating processes, dissemination of results to the internal and external audiences

Indicator 32 - Construction of citizenship by companies

In relation to its role in building citizenship, the company:

Stage set for the team:

Stage 3 - developing education activities for citizenship and supports organizations that work with the theme, conducting discussion forums in order to ensure the conscientious vote.

What can be done about this indicator?

- Immediately - formalizing its policy in relations with government and political class
- After obtaining better information - disclosure of actions arising from the participation of team members on boards and forums with the public procedure.
- After planning - evaluating processes, dissemination of results to the internal and external audiences

Indicator 33 - Anti-Corruption and Anti-Bribery

In the relationship with authorities, tax officials of public authorities at all levels, the company:

Stage set for the team:

Stage 3 - has a public commitment to combat corruption and bribery and maintains posture

recognized by internal and external audiences about the prohibition of direct or indirect encouragement of government agents.

What can be done about this indicator?

- Immediately - formalizing its policy in relations with government and political class
- After obtaining better information - dissemination to the public procedure.
- After planning - evaluating processes, dissemination of results to the internal and external audiences

Indicator 34- Leadership and social influence

In its participation through associations and business forums, the company:

Stage set for the team:

Stage 3 - actively participates and contributes to human resources, process of drawing up proposals for a social public interest.

What can be done about this indicator?

- Immediately - formalizing its policy in relations with government and political class
- After obtaining better information - dissemination to the public procedure.
- After planning - evaluating processes, dissemination of results to the internal and external audiences

Indicator 35 - Participation in government social projects

In its involvement with social activities carried out by governmental entities, the company:

Stage set for the team:

Stage two - occasionally helps with the government in carrying out activities and projects off the public power in response to request from the authorities.

What can be done about this indicator?

- Immediately - formalizing its policy in relations with government and political class
- After obtaining better information - dissemination to the public procedure.
- After planning - evaluating processes, dissemination of results to the internal and external audiences and expand the actions undertaken.

Comments:

- After the report found that the company has several practical actions aligned with the

objectives and principles of the Global Compact, lacking essentially the formalization of procedures for implementation of policies already adopted, and assessment mechanisms to allow the construction of goals and monitoring of systemic processes.

- It was also noted that the company still failed to achieve its goals regarding the disclosure of their actions or in relation to the internal public, either in relation to the general public, as well as the need for implementation planning its communication policy.

- In addition, the survey information has allowed us to observe that despite failures of communication found the company can disclose their principles and code of conduct both the internal and the external public and is well evaluated by its employees, customers, competitors, government, class political and local community.

Opportunities to explore:

- Through the dissemination of the Global Compact to establish themselves as local and regional leadership among the business class to implement the Millennium Goals and expand their business opportunities.

Goal for the next application:

- Completion of procedures for the formalization of policies and processes raised in this report;
- Implementation of policies and internal processes with the public;
- Map and evaluate and correct the flaws in implementation;
- Broaden the types of disclosure of actions and policies undertaken by the company with the public;
- Complete the implementation of the principles and objectives of the Global Compact;
- Publicize the Global Compact;

-