TABLE OF CONTENTS

1 Statement of continued support by the Managing Director

2 Introduction, general information, strategy & governance, goals and UN thematics

3 Description of actions and measurement of outcomes
   a. Human rights (principles 1 & 2)
   b. Labour (principles 3 to 6)
   c. Environment (principles 7 to 9)
   d. Anti-Corruption (principle 10)
1 Statement of continued support by the MD

I’m excited to present you this report, which features our latest developments and priorities in the UN Global Compact’s principles. We believe it is our responsibility to make the world a better place and we align with our employees, communities, customers, partners, and suppliers to make that a reality. We made a deep commitment to weave this responsibility throughout our business. We set out ambitious goals for ourselves and we constantly look for ways to transparently share our progress toward them with our customers and partners.

At SabioEurope, that concern sits at the heart of our focus on Corporate Social Responsibility, and it is core to who we are. We provide exceptional customer experience for our clients and continually look for new socially responsible business practices that will enable us to accomplish even more across environmental sustainability, ethical governance, community development, client and partner collaboration, and our inclusive workplace culture.

For all this, the Company continues with the commitment we made last years to the Ten Principles of the United Global Compact, of which we are members. In this annual Communication on Progress, we describe our actions to integrate the Global Compact and its principles into our business strategy, culture and daily operations. We are also committed to share this information with our stakeholders using our primary channels of communication.

I am proud of SabioEurope’s continued leadership as a responsible and successful company, bringing together our people, passions, and powerful technology to support social and environmental priorities. As we move forward in 2020, we look forward to a bright future and are proud of all we accomplished in 2019. On behalf of our entire team, thank you for your continued support.

Yours sincerely,

Rafael Aranda
Managing director
Sabio Europe, Spain, COP for fiscal year 2019
Introduction, general information, strategy & governance, goals and UN thematic

Sabio Europe became a signatory to the UN Global Compact in 2016 and fully embraces its policies and principles. The UN Global Compact is a public-private strategic policy initiative for businesses committed to aligning operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment, and anti-corruption.

Sabio Europe’s UN Global Compact Participant Information:

**Country:** Spain  
**Address:** Avenida Manoteras, 6. 28050 Madrid  
**Web address:** [www.SabioEurope.com](http://www.SabioEurope.com)  
**CEO:** Mr. Rafael Aranda  
**Organization type:** SME  
**Sector:** Information and Communication Technologies (ICTs)  
**Activity:** Global Solutions provider (Unified Communications and Contact Centre environments)  
**Global Compact Status:** Active  
**Employees:** 99  
**Ownership:** Private held  
**Participant:** since April 7th, 2016  
**Revenue:** 20,6 M€  
**Significant governmental assistance:** None  
**Stakeholders:** Customers, suppliers, employees, shareholders and financial community, society and environment.

**Criteria followed concerning stakeholder selection:** It has been decided to define these stakeholders groups in the COP taking into account the influence of Sabio Europe and its actions in them. Each of them is a key cornerstone of our company’s culture.

**Countries and markets presence:** Sabio Europe owns 100% of all its subsidiaries in Spain, The Netherlands, France, Germany, UK and Italy. Moreover, it covers worldwide projects EMEA, North America, Latin-American and Asian Pacific markets.

**Scope of the COP and its possible limitations:** Respect and compliance with the principles of the UN Global Compact by Sabio Europe make it easier for the COP to gain relevance. Our stakeholders are informed of our involvement in the UN Global Compact.

**How has the most significant issues been defined to be included in the COP?** The company has identified the relevant aspects through a permanent dialogue with the stakeholders. The transparency, communication, respect for the human rights and protection of the environment are part of the company’s policy.

**How is the COP being spread?** The company is using its internal and external communications tools and it will be included in the next CSR memory.

**Covered period by the information contained in the COP:** Fiscal year 2019 (1-10-2018 to 30-09-2019).

**Reporting cycle of the COP:** Annual.

**Does your entity have a high environmental impact?** No, it doesn’t.
Strategy and governance

Indicate how the entity incorporates suggestions from stakeholders in its strategy and decision-making processes

All the suggestions from stakeholders of the company are treated with the utmost seriousness and objectivity, both in the regular meetings of the directors and in the quarterly meetings of the company, to which all employees attend.

Indicate the structure of its Board of Directors and who are responsible for supervising the decision-making and management of the implementation of the ten principles of the company. Also indicate whether the chairman of the highest governing body also holds an executive position.

The company governance is driven by two joint directors who delegate all operations in the following executive positions:

Managing Director: Mr. Rafael Aranda
Finance Director: Mr. Néstor García

Both are responsible for reviewing the Corporate Social Responsibility and the supervision and management of the implementation of the ten principles.

The chairman has a non-executive role.

Goals and UN thematic

Indicate whether the company has collaborative projects and develops support actions in relation to the objectives and thematic of the United Nations

Yes, with external nature, SabioEurope is collaborating with Save the Children on an annual basis and is open to do so with other NGOs or different organizations in the future. SabioEurope also donated some funds to McMillan Cancer Support.

Sabio Europe collaborate with sectorial organizations that promotes UN objectives as “Asociación para el progreso de la dirección” (APD) & “Asociación Española de expertos en la relación con clientes” (AEERC), which foster in the companies of their economic activity a series of positive behaviors and activities in three main lines: diversity, equality and conciliation.
3 Description of actions

a) Human rights

“Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and...”

SabioEurope’s Code of Conduct and Ethics shows the respect and commitment of our company with the principles of the UN Global Compact and governs the conduct generally of all group professionals and, in particular, conduct relating to the defense of human rights, and also establishes control mechanisms and disciplinary sanctions in the event of non-compliance with the provisions of such code.

Directors are responsible for reviewing everything related to the Corporate Social Responsibility and studies the actions to be taken each year on issues related to the principles of the UN Global Compact.

With respect to the internal commitment of the company with this principle, the Code of Conduct and Ethics is a key factor of our policy on engagement and is known and signed on receipt by all company employees; it is also available in the Company’s intranet.

SabioEurope implemented the ISO 9001, what is a quality management system standard designed to help organizations ensure that they meet the needs of customers and other stakeholders while meeting statutory and regulatory requirements. One of the aspects certified within this system is the collection and analysis of the information about the perception of the customer in relation to the characteristics of the service we provide, and its influence in their satisfaction.

“Principle 2: ...make sure that they are not complicit in human rights abuses.”

The Company is explicitly committed to defend and protect the human rights, and it has a set of instruments that ensures and promotes respect for human rights, hindering or preventing the violation thereof. Our Code of Conduct and Ethics sets up as unacceptable conduct the physical abuse, violence, threats of violence, bullying, harassing or demeaning behavior.

It is the responsibility of each of the companies in the Group to follow approved policies and to apply the principles for the protection of human rights. The policies, codes, and procedures governing the operation of the Company are applied in all SabioEurope’s activities, including investments. For that reason, SabioEurope is confident that investments are made in accordance with strict standards of respect for human rights and has no evidence through the ethics channels established for such purpose of any kind of activity, whether internal or external, of any actions contrary to such rights. Accordingly, although the investment agreements put into practice do not specifically include this type of provision, they are all protected by the procedures applied at the Company.

On the other hand, most of the main partners we work with follows a self-regulating business model (Corporate social responsibility) that means they are operating in ways that enhance society and the environment, instead of contributing negatively to them.
b) Labour

“Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;”

SabioEurope’s primary objective with respect to labour is to have in place an appropriate framework for labour relations, with agreed mechanisms for the alignment of the organisation with corporate and social requirements, furthering the achievement of the goals of competitiveness and corporate efficiency within a climate of social peace.

To properly manage its human resources and the multiple facets thereof, SabioEurope applies the necessary policies, elements, and tools, fostering behavior and attitudes among its workforce in accordance with the principles described in the Company’s Code of Conduct and Ethics.

All Sabio employees are subject to the collective agreement and there is no risk of jeopardizing the effective right to collective bargaining. In addition, SabioEurope in Spain has a Works Council with which communication is fluid on both sides.

“Principle 4: the elimination of all forms of forced and compulsory labour;”

The company complies with all labour laws and is committed against forced labour. There is no risk of forced or compulsory labour.

The correct operation of the company is firmly based on the good personal and professional relationships of employees. Informal meetings are very frequent and relaxed, and the treatment is always excellent. It’s part of the company’s corporate culture. The company follow-ups the personal and work situation of its employees and, in addition, we have an external consultancy that channels the pertinent legal issues.

Sabio complies with the collective agreement, both in terms of remuneration and in terms of hours of work.

“Principle 5: the effective abolition of child labour; and…”

The company has no risk as far as this section is concerned and, in addition, we do not have direct activity in developing countries, where there could be some risk.

Besides, Sabio requires all employees to provide personal identification documents to ensure compliance with the law in this regard.

The Company collaborates with Save the Children, which is an international humanitarian non-governmental organization (NGO) that promotes children's rights, provides relief and helps support children in developing countries.
“Principle 6: …the elimination of discrimination in respect of employment and occupation.”

There are no risks regarding discrimination in hiring, training and promotion of workers. The company has hiring procedures that comply with the principles of non-discrimination and equal opportunity, and has selection processes based on candidate merits, ensuring the application of such principles.

Moreover, we are never influenced in our decisions, actions or recommendations by issues of gender, race, creed, colour, age or personal disability.

SabioEurope ensures compliance with the law for the integration of people with disabilities (LISMI; Ley de Integración de Personas con Minusvalía).

Some indicators for fiscal year 2019:

- Men: 73%
- Women: 27%
- Older than 45 years: 70%
- Younger than 45 years: 30%

c) Environment

“Principle 7: Businesses should support a precautionary approach to environmental challenges;”

Due to SabioEurope’s type of activities, we do not foresee important environmental impacts. Nevertheless, SabioEurope does care about environment, in this context the Company implemented the ISO 14001 to help the organization to minimize how their operations negatively affect the environment, to comply with applicable laws, regulations, and other environmentally oriented requirements, and to continually improve in the above.

“Principle 8: undertake initiatives to promote greater environmental responsibility; and”

As said before SabioEurope has an environmental policy that meets the requirements established by ISO 14001. Moreover, the company has created a Code of Good Environmental Practices to promote greater environmental responsibility.

SabioEurope hired a company dedicated to the waste recycling with legal certificate of destruction according to the current regulations for the collection of documentation and various materials, such as old stands used in fairs, obsolete office equipment and empty computer consumables.

Additionally, we promote recycling among our employees and, as far as possible, we linked it with some solidary projects as i.e. “Plastics caps for a new life”. This project is promoted by SEUR Foundation, which consists of the delivery of plastic caps to a recycling plant to help children with serious health problems. Since its inception in 2011, more than 130 children have accessed medical treatments and orthopedics not covered by the public health system, thanks to the recycling of 4,000 tons of plugs, and has avoided the emission of 6,000 tons of CO2, the main gas causing climate change.
change. In total, there are 2,000 million recycled plugs, which could fill 13 Olympic swimming pools, which have resulted in more than 1 million euros collected! Join the longest chain of plugs in the world in this link.

“Principle 9: encourage the development and diffusion of environmentally friendly technologies.”

Sabio spreads the use of environmentally friendly technologies based on the content of the services it provides to other companies.

Regarding our suppliers, within the communication industry, their products are modified to be more respectful with the environment. The industry is moving from Hw components to applications and cloud solutions.

d) Anti-Corruption

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

The Group undertakes to compete fairly in the market and not to engage in advertising that is misleading or denigrates its competitors or third parties. Furthermore, the Group undertakes to obtain information lawfully, to promote free competition for the benefit of consumers and users, and to promote transparency and free market rules.

The Group’s firm commitment to fight corruption and to establish mechanisms to ensure the existence of a culture for preventing irregularities is reflected in the Group’s Code of Conduct and Ethics.

We have not had to regret any case on this issue because of our zero- tolerance policy. Transparency comes first in our all sales processes and commercial actions.

On the other hand, the Company complies with the prevention of money laundering and terrorist financing law.
Communication on progress
Fiscal year 2019