

The Global Compact Office United Nations Global Compact Two United Nations Plaza New York, NY 10017

4th March 2013

Dear Sir/Madam,

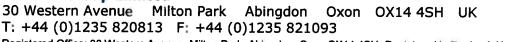
Achilles Group Limited - UNGC Grace Letter

Achilles became a signatory to the United Nations Global Compact in 2005, and since then we have continued to support and work in line with the 10 UNGC Principles. This has been both within our internal activities as well as assisting a large number of other businesses in their own sustainability activities by virtue of our supply chain management products and services. In terms of our own direct impacts and responsibilities, Achilles continues to work in accordance with the 10 Principles in the following ways:

UNGC Principles		Internal Progress
Hu	man Rights	
0	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: make sure that they are not	Our published Employee Handbook and policies include continued commitments to ensure human rights are upheld and that Achilles staff do not to become complicit in Human rights abuses.
	complicit in human rights abuses.	
<u>Labour Standards</u>		
	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Achilles recognises the right to freedom of association and collective bargaining, and seeks to work constructively with trades unions wherever they represent our employees.
•	Principle 4: the elimination of all forms of forced and compulsory labour;	All our employees work on freely entered contracts of employment which they are at
•	Principle 5: the effective abolition of child labour; and	liberty to terminate at will. Our internal policies prohibit the use of any forced, bonded or child labour within our organisation. Where possible we seek to ensure any contracts with subcontractors do the same.
•	Principle 6: the elimination of discrimination in respect of employment and occupation.	Achilles is and will continue to be an equal opportunities employer, and will continue to work to eliminate all forms of discrimination.



Achilles Group Limited





UNGC Principles		Internal Progress
<u>En</u>	Principle 7: Businesses should support a precautionary approach to environmental challenges; Principle 8: undertake initiatives to promote greater environmental responsibility; and Principle 9: encourage the development and diffusion of environmentally friendly technologies	Achilles has achieved independent certification under the Certified Emissions Measurement and Reduction Scheme (CEMARS). In support of this our offices also have in place a number of initiatives to reduce energy consumption and waste, and to increase recycling opportunities.
An •	ti-Corruption Principle 10: Businesses should work against all forms of corruption, including extortion and bribery.	We have launched and will continue to monitor and update our Anti-Bribery policy across our group, and we operate a "zero tolerance" policy to bribery and corruption.

Further to this, our supply chain information systems assist over 800 of the world's largest buying organisations to evaluate and monitor their own supply chains in respect of a number of different sustainability areas. Within this context we are continuing to develop our systems in areas which enable our customers to enhance their own practices and policies in support of the 10 Principles, such as:

- Health & safety
- Human rights and labour standards
- Environmental considerations
- GHG emissions and Carbon Footprinting
- Local Content
- Anti-Bribery and Corruption

We now have some 77,000 supplier companies registered within our systems, providing detailed and validated information on some or all of these areas of interest. As we continue to develop our services we will continue to encourage the alignment of our services with the 10 Principles.

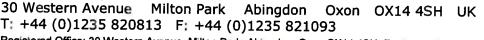
In 2011 Achilles embarked upon a series of significant structural changes across its entire organisation, beginning a transformational process which has impacted virtually every aspect of how we operate as a business. Across our entire group, from our most senior management team through to our IT, operations and customer facing services we are going through fundamental change. We understand that major change is not just about grand vision - it also takes significant effort, discipline and organisation.

We continue to believe that successful management of global sustainability issues will continue to challenge businesses worldwide unless they can identify and understand their supply chains through accurate and validated supplier information, and that business will need to meet these challenges if it is to fulfill its responsibilities and obligations, and meet the growing expectations of the wider society in which it operates.

Now that our structural changes are more embedded our senior management team are able to renew Achilles' commitment to actively support and engage with the UN Global Compact and the local UK Network. We are therefore in the process of reviewing how our sustainability teams are resourced and engaged, and will begin to implement these plans over the coming few months.









For this reason we would like to seek an extension to our current United Nations Global Compact registration, and apply for a grace period of 90 days in which to submit a new Communication on Progress. Once this has been done we are hoping to re-energise our commitment to the United Nations Global Compact and look forward to deeper engagement in the sustainability agenda.

Thank you for your consideration and we look forward to engaging more fully with you in the future.

Yours sincerely,

Adrian Chamberlain

CEO



