



Achilles Group Limited
December 2008

Chief Executive Officer and Chairman's statement

Achilles is pleased to have been a signatory of the UN Global Compact and member of the UK network since 2005. The Group continues to support the Compact through its business activities and the ten principles are embedded within our company culture and the core business values that we operate to (collaborative, insightful and neutral).

Achilles Group provides services for sustainable procurement to help create opportunities for business and reduce risk in the supply chain. The organisation has been in business since 1990 and this year has seen HgCapital invest in Achilles Group enabling further roll out of our services for procurement incorporating aspects of corporate responsibility.

Our services are used by over 550 major buying organisations and close to 40,000 suppliers worldwide. Achilles Group recognises that its services have an impact on business communities throughout the world. Achilles not only adheres to the principles within its own operations but also promotes the ten global compact principles within its services to these communities.

This year Achilles has renewed its links with the Said Business School at Oxford University in a joint venture to bring together thought leaders in corporate social responsibility and leaders in sustainable procurement practice. The new program will set out an agenda for industry to take on the global challenges we face and for academics and thought leaders to connect their vision with the practicality of implementation.

2008 saw Achilles sponsor the Outward Bound Charity Challenge for the third year. This event offers corporate teams the opportunity to take part in outdoor challenges whilst raising funds for the Outward Bound Trust. Achilles sees its patron sponsorship of the Outward Bound Trust as integral to its CSR programme and a chance to actualise the compact principles. Similar practices have been adopted throughout our regional offices, for example our office in Ireland sponsors the local hospice, whilst in Argentina donations of old office equipment and furniture are made to a nearby school. Achilles has also sponsored Outward Bound through the process of measuring, managing and certifying their carbon footprint.

To further develop Achilles CSR work and portfolio, Achilles has joined the Global Reporting Initiative (GRI) as an organisational stakeholder and has already taken an active role by sponsoring a project on the segmentation of green house gas reporting information with support from the subscribers to our new carbonReduction program. Our active involvement with the GRI will help to ensure that Achilles and its stakeholders contribute actively to the evolution of thinking on CSR and sustainable procurement best practice.

Signed by Colin Maund (CEO) and Kevin Gaskell (Chairman)



CSR Survey

Achilles has recently conducted a corporate responsibility survey, sent out to all our regional business units. The purpose of this survey was to find out about corporate responsibility practices across the group and how these activities align with the global compact principles. Results from this survey will enable the company to align our processes and practices on corporate responsibility across our offices and operations.

Materiality review

Over the coming months Achilles will review the materiality of key issues and indicators in our reporting in order to align closely with the best practices set out by leading institutions like the Global Reporting Initiative, the UN Global Compact and Accountability. From this review will come an action plan to develop our CSR strategy and implementation plan in more depth in those key areas where our material impact is the most. Achilles will then monitor progress against this plan, review and continuously improve our performance.

Principle 1

Business should support and respect the protection of internationally proclaimed human rights.

Achilles fully upholds this principle within its organisation and the business that it operates.

Achilles Group has an Employee Handbook which is used as a resource for employees and contains all relevant employment policies and guidance to the Achilles competencies. Following a review of policies, several new additions have been made to the handbook including policies for the group covering, corporate responsibility, supplier code of conduct, and our environmental impact.

All the services that Achilles Group offers for its customers to practice sustainable procurement have sections covering corporate responsibility, specifically human rights and labour standards and this enables us to support our customers to monitor internationally proclaimed human rights within their supply chains.

Achilles has recently developed an audit programme to assess suppliers working with the UK Utilities on their corporate responsibility practices and policies. This programme will see Achilles auditing suppliers to assess CSR within their business operations.

Achilles has this year launched a service in Columbia for the oil and gas sector. One area of content in this service is dedicated to the ten global compact principles which assist subscribers to monitor how their suppliers are promoting the principles within their business.

Principle 2

Business should ensure that they are not complicit in human rights abuses.

Achilles Group has an Employee Handbook which includes policies detailing the code of conduct we expect our employees to practice, including ensuring that employees are not complicit in abuses of human rights.

Achilles services are delivered almost exclusively via the internet and as such we believe that the potential to become unintentionally complicit in human rights abuses is limited. However, Achilles is aware that as we develop our products and services this is an issue which our customers will want to monitor within their supply chains and business activities.

In the areas where our employees such as auditors and subcontracted auditors are out on site we have a specific code of conduct against which they operate should any instances of human rights abuses be found.

One of our Nordic/Central European customers has recently launched an Achilles service, Total Supplier Management Solution (TSMS), which manages their entire supply base. One element of this service is



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ensuring that suppliers align with their customer's code of conduct, based on the Global Compact, with a specific focus on labour practices and human rights.

Principle 3

Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Achilles remains committed to upholding the rights of all employees throughout our global offices, to freedom of association and collective bargaining. Achilles ensures that it complies with all local and national legislation regarding this principle.

Several of the audit programmes that Achilles operates globally have sections included which cover this principle of collective bargaining and freedom of association.

Principle 4

Business should support the elimination of all forms of forced and compulsory labour.

Achilles Group has an Equal Opportunities policy within the Employee Handbook which specifies that all employees will be treated fairly and that the organisation will ensure equal terms with regards to conditions of work, salary and remuneration. All employees are issued with contracts of employment guaranteeing that staff are employed under nothing other than free and fair contract terms. Staff may terminate contracts of employment at their own free will.

This is an issue which has been incorporated into many of our global schemes such as the programme that we operate for the Electronics Industry.

Principle 5

Business should support the effective abolition of child labour.

Achilles fully supports this principle and ensures that it does not employ child workers throughout its business operations. This is also an issue which is pertinent to several of the sectors in which our customer groups operate. Many of our services, such as ControlAR contractor monitoring in Chile, support our customers to monitor the supplier organisations that they work with to ensure that child labour is not present.

Principle 6

Business should support the elimination of discrimination in respect of employment and occupation.

Following a review of the policies to which Achilles Group operates, several new policies have been added which cover elimination of discrimination in respect of employment and occupation.

Achilles Group operates 25 offices in over twenty-two countries, with employees from a diverse and wide-range of nationalities, and as such is fully committed to the sixth principle. Achilles has policies in place covering this principle including equal opportunities, recruitment and selection, and we ensure that we are compliant with local legislation in each of the regions in which we operate business activities.

We are currently rolling out recruitment training to our business units to ensure that recruitment decisions are made without discrimination based on knowledge, skill and competence levels.

Principle 7

Business should support a precautionary approach to environmental challenges.

Achilles has a new group-wide environmental policy which states Achilles commitment to conserve natural resources, promote energy efficient measures, and minimise pollution and damage to the environment.



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The company will ensure that this policy is regularly reviewed so that we are up to date with all relevant legislation in the countries in which we operate.

Achilles (UK operations) have this year completed the baseline measurement of our operational carbon footprint. Following this exercise the organisation has developed a management and reduction plan to work against over the coming years.

Achilles continues to implement and operate an environmental programme covering areas such as recycling, energy efficiency, and resource consumption.

Principle 8

Business should undertake initiatives to promote greater environmental responsibility.

Achilles will rerun a successful programme from last year sending out daily recycling tips for a week in the run up to Christmas to employees to promote environmental responsibility within the office.

This year has seen Achilles launch a programme (carbonReduction) for its customers to measure, manage and report the carbon footprint of their organisation. This programme has been initially launched for suppliers working with the Utilities in the UK but will be rolled out across all Achilles communities and geographies within the coming year. This programme provides Achilles customers with an opportunity to assess their impact on the environment and put plans and actions in place to reduce that impact.

As part of our work on the carbonReduction programme Achilles has liaised with a range of stakeholders to ensure that the programme is relevant and applicable for our customers and the sectors in which they operate.

Achilles head office in the UK is currently reviewing voluntary participation in the 'cycle to work' initiative enabling employees to purchase bicycles and cycling equipment at a reduced rate.

Our office in Chile has implemented electronic invoicing to reduce printing whilst in Australia, Ireland, Scotland, Hong Kong and the Scandinavian offices, energy saving activities are in place e.g. switching off air conditioning and lights during out of office hours, timers on printers and heaters, and reducing IT equipment consumption. All the offices have incorporated web conferencing facilities to enable staff to cut down on business travel.

Principle 9

Business should encourage the development and diffusion of environmentally friendly technologies.

This year has seen Achilles Group (UK operations) measure its carbon footprint and become the first organisation in the UK to receive CEMARS (Certified Emissions Measurement and Reduction Scheme) certification. As part of our CEMARS certification we have put together a management and reduction plan in order to reduce our operational carbon emissions over the next year. Our reduction plan comes with board and senior management support.

Principle 10

Business should work against corruption in all its forms, including extortion and bribery.

Those Achilles employees who travel around throughout the world to high risk countries are given a cultural briefing detailing necessary health & safety aspects and potential risk areas such as extortion, bribery, kidnapping and cultural differences. Achilles policies specifically make it a breach of our policy to accept or give bribes or facilitation payments including gifts in kind.

In recent months Achilles Group has developed a gifts and hospitality policy outlining the conduct that is expected from our employees with regards to hospitality and gift giving.



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