

Achilles Group Limited

United Nations Global Compact

Communication on Progress – January 2011

Statement from the Chief Executive Office and Chairman

Achilles is proud to be entering its sixth year of membership to the UN Global Compact and reporting its Communication on Progress for the fourth consecutive year. As an organisation which places collaboration, insight and neutrality as its core values, the continued work to support the ten global compact principles remains a key focus within Achilles and the clients we work with worldwide.

Assisting some 700 buying organisations to promote transparency and visibility within their supply chains, and supporting over 55,000 suppliers to demonstrate compliance with standards and legislation in health & safety, corporate social responsibility (CSR) and greenhouse gas accounting amongst others, Achilles is well placed to promote the principles of the UN Global Compact to a wide footprint of organisations worldwide through its day to day business activities.

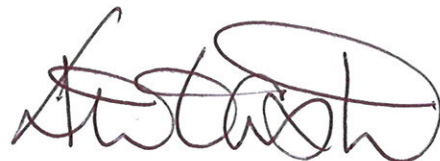
The past year has seen Achilles staff demonstrate commitment to supporting the wider communities in which we operate. Charity initiatives supported over the course of 2010 include patron sponsorship of the Outward Bound Trust in the UK, providing assistance at the Norwegian Red Cross activity centre, participation in the Aberdeen, London and Oslo marathons, and a number of our regional business units worked to raise funds for supporting victims of the Chilean earthquake.

As a growing business with an ever increasing reach through our customer base, Achilles will continue to promote the ten principles of the UN Global Compact throughout our operations and to the organisations that we work with. The greatest impact Achilles Group can have is to ensure that the supplier qualification and audit services we provide are aligned with the UN Global Compact and advance the principles in the regions that we operate.

Signed

Colin Maund (CEO)

Kevin Gaskell (Chairman)



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Targets

To ensure that Achilles is working against common goals of corporate social responsibility and continues to uphold the ten UN Global Compact Principles the organisation will undertake a third party assessment against the Global Audit module designed by Achilles Assessment Services team. This module includes assessment of the organisation's general business processes as well as a review of specific areas pertaining to corporate social responsibility as listed below;

- Engaging with the community
- Business integrity and ethics
- Preventing discrimination in the work-place
- Employment practice and human rights
- Communication and worker feedback
- Workplace safety
- Occupational health
- Emergency planning
- Environmental management including carbon and waste
- Working hours

Feedback on this assessment and outcomes will be provided in the next Communication on Progress. Further targets relating to specific principles e.g. promoting greater environmental responsibility can be found in the report.



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

Achilles fully supports this principle and it is upheld within the organisation and throughout Achilles business operations.

Achilles ensures that it is operating to the principles of protecting human rights and labour standards through the implementation and use of the Achilles' Group Employee Handbook. The handbook is used as a resource for employees and contains all relevant employment policies and guides to Achilles staff competencies. There are variations in the handbook to ensure that Achilles is operating to the legislation and standards of the regions in which it has offices.

Through Achilles services the organisation is able to extend support and promotion of the Global Compact principles. One specific example is E-TASC, a corporate social responsibility assessment tool used in the electronics industry. Used by multinational organisations, the E-TASC tool was commissioned by the electronics industry to engage with suppliers on corporate responsibility issues and assist in effectively implementing a common approach for assessing and managing supply chain risk. The underlining objective is to drive performance improvement across tiers of the supply chain in relation to labour practices, health & safety, ethics and environmental issues. The content of the assessment tool maps closely against the principles of the UN Global Compact which was considered in its design.

Principle 2:**Businesses should ensure that they are not complicit in human rights abuses.**

Achilles' Group Employee Handbook includes policies detailing the code of conduct we expect our employees to work against and this code includes employees not being complicit in abuses of human rights.

Achilles services are delivered, in the main part, through the internet and as such we believe that the potential to become unintentionally complicit in human rights abuses is limited.

Principle 3:**Businesses 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 offices to the freedom of association and the right to collective bargaining. Achilles ensures that it is in compliance with all local and national legislation covering this principle.

Principle 4:

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

The Achilles Group Equal Opportunity policy within the Achilles' Group Employee Handbook 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 employment contracts guaranteeing that all staff are employed under free and fair contract terms. Staff have the ability to terminate employment contracts of their own free will.

Principle 5:

Businesses should support the effective abolition of child labour.

Achilles fully supports this principle and ensures that it does not employ child workers through any of its business operations.

Principle 6:

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

Achilles is committed to this principle as it operates in a number of offices around the world and its employees come from a diverse and wide-range of nationalities. Achilles has policies in place to ensure that we are compliant with local legislation in each of the regions in which we operate including equal opportunities, recruitment and selection.

Recruitment training is conducted across the business to ensure that recruitment decisions are made without discrimination and based on knowledge, skill and competence levels.

Principle 7:

Businesses should support a precautionary approach to environmental challenges.

Achilles has an environmental policy in place which outlines Achilles commitment to conserve natural resources, promote energy efficient measures and minimise pollution and damage to the environment.

Principle 8:

Businesses should undertake initiatives to promote greater environmental responsibility.

Following external verification of its UK operational carbon footprint Achilles has identified its main environmental impacts from day to day business operations; from the gas and electricity powering the offices, and business travel to visit our customers. Achilles UK operations were some of the first in the UK to be awarded CEMARS (Certified Emissions Measurement And Reduction Scheme) certification to the international ISO standard, ISO 14064-1, for greenhouse gas quantification and management.



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Nearing completion of our fourth year of certification against the international ISO accredited programme Achilles has a number of reduction strategies and initiatives in place to promote greater environmental responsibility across the business in the UK.

The UK business units are developing best practice activities in carbon emissions measurement and reduction that will be rolled out to global business units to further support the eighth principle.

Principle 9:

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

As part of the CEMARS certification for the UK business operations there is a formal Emissions Measurement and Reduction Plan covering UK business units. This plan has a series of energy efficiency and emissions reduction initiatives which will be rolled out over the coming twelve months. Achilles recognises the carbon reduction commitments from the UK government, to reduce carbon emissions by 30% by 2020. In order to align with these targets Achilles UK operations have set a target to reduce relative emissions by 3%, against the baseline year, by 31st April 2012. Key reduction projects include reducing car travel through video & teleconferencing and train travel incentives, and reducing office electricity through electricity awareness campaigns.

Implementing these reduction strategies over the coming year and assessing performance against targets along the way will enable the UK operations to understand how environmentally friendly technologies can be used more effectively within the global business operations.

Principle 10:

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

It is a breach of Achilles HR policies to accept or give bribes, or to make facilitation payments including gifts in kind. For Achilles auditors who are out on site regularly there is a specific declaration in their auditor contract which covers confidentiality, conflict of interest, unethical incentives and professional conduct. All contracting companies and individuals working on the on-site audit side of the business have to sign this document. In addition to this the auditors also sign an Auditor Code of Conduct which covers similar content.

The board of Achilles has recently approved a new group wide policy against bribery and corruption, and will work to implement any necessary changes as required by the introduction of the new Bribery Act in the UK.

Achilles is running seminars for our customers on the implications of the Bribery Act and to assist with assessing the impact on their supply chain activities to ensure that there is no corruption in the contracting process.



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