



COMMUNICATIONS ON PROGRESS

STATEMENT OF CONTINUED SUPPORT. Greystone is an international supplier of turn-key security solutions. Greystone focuses on providing stability to locations experiencing turmoil whether caused by armed conflict, epidemics, or natural or man-made disasters. In doing so, the Company embraces and supports a core set of values in the areas of human rights, labor standards, the environment, and anti-corruption described as the United Nations Global Compact Ten Principles.

Human Rights

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2: make sure that they are not complicit in human rights abuses.

Labor Standards

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4: the elimination of all forms of forced or compulsory labor;
Principle 5: the effective abolition of child labor; and
Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

- 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.

Anti-Corruption

- Principle 10: Businesses should work against all forms of corruption, including extortion and bribery.

Greystone and its stakeholders continuously review and monitor management processes and business operations to ensure compliance with the principles of the Global Compact.

DESCRIPTION OF PRACTICAL ACTIONS TAKEN AND PROCESS OF IMPLEMENTATION USED. Greystone became a participating member of the Global Compact in 2006. During the past year, the Company has taken great strides to further the ten universal principles by joining similar organizations, updating business practices and vetting the companies with whom Greystone does business. Below are examples of the advances taken by Greystone:

IPOA Membership. Greystone recently joined the International Peace Operations Association (IPOA). As set forth on the IPOA website:

“The IPOA is a trade association whose mission is to promote high operational and ethical standards of firms active in the Peace and Stability Industry; to engage in a constructive dialogue with policy-makers about the growing and positive contribution of these firms to the enhancement of international peace, development, and human security; and to inform the concerned public about the activities and role of the industry.”

Through its membership in the IPOA, Greystone is working to advance universal principles on human rights, labor standards and anti-corruption.

Registration as an approved vendor with the United Nations Procurement Service. Greystone became an approved vendor with the United Nations Procurement Service in 2007. As such, in addition to supporting the principles of the Global Compact, the Company adheres to the UN Supplier Code of Conduct and the values contained in the UN Charter relating to respect for fundamental human rights, social justice and human dignity, and equal rights of men and women.

Personnel Handbook and Policy Handouts. Greystone has demonstrated its commitment to complying with the letter and spirit of all laws and regulations and contract obligations to which the Company is subject by creating a Handbook for Personnel. The Handbook is further supplemented by various handouts that detail specific company policies regarding conduct and by striving to ensure all agreements contain language to further this mission.

The Handbook is designed to convey Greystone’s commitment to the highest standards of integrity. Other elements include setting ethics and compliance standards, communicating those standards through policies set forth in the Handbook and other media, providing a mechanism for personnel to report issues of concern to them, monitoring and auditing and maintaining an organizational structure that supports the furtherance of the business. The Handbook contains a provision that individuals will comply with all laws and regulations of the United States, Hague Conventions, Geneva Conventions, international agreements, international human rights protocols and customary international law and domestic law of any country where such individual is a citizen or resident and the host country.

Handout regarding Policy on Harassment and Discrimination. Greystone prohibits the discrimination or harassment of any employee or applicant for employment based on an individual's race, religion, gender, national origin, age, handicap status, or disability, arrest and court record, marital status, or sexual orientation. Greystone strives to create and maintain a work environment in which people are treated with dignity, decency and respect. Our work environment should be characterized by mutual trust and the absence of intimidation, oppression and exploitation. For that reason, we will not tolerate unlawful or inappropriate discrimination or harassment of any kind, including through the use of Company equipment, including computers, e-mail, and telephones. Through enforcement of this policy and by education of employees, Greystone will seek to prevent, correct and discipline behavior that violates this Policy.

Handout regarding Human Rights Awareness and Compliance. When working overseas personnel must comply with certain international and domestic laws and other obligations regarding human rights. Accordingly, all contractors seeking to work for Greystone are provided with a Human Rights Awareness and Compliance Handout. Failure to follow these laws and obligations can result in criminal prosecution, fines, imprisonment and termination of the services agreement. The laws and obligations respecting human rights include:

- The United Nations Universal Declaration of Human Rights:
- Hague Convention IV:
- The Geneva Convention:
- The Anti-Torture Statute:
- U.S. War Crimes Act of 1996:
- Military Extraterritorial Jurisdiction Act:
- Victims of Trafficking and Violence Protection Act of 2000:
- Host Country and Local Laws:

Stringent Hiring Procedures with Follow-On Training. Greystone has the reputation of hiring only the most qualified individuals. Cultural sensitivity, awareness and professionalism are necessary on all levels. Greystone carefully screens and evaluates all candidates to ensure only the highest caliber individuals are selected through criminal background checks, domestic violence questionnaires and other preventative measures. Follow on training ensures personnel have been educated in human rights, employment matters and anti-corruption practices adhered to by the Company.

Legal Documentation. Every purchase agreement pursuant to which Greystone provides goods and/or services to a purchaser contains an anti-corruption representation and warranty to the effect that Greystone conducts its business with the utmost business integrity and seeks to avoid any impropriety. In such documents, Greystone warrants that it has not offered or paid any official, employee, representative or agent of a purchaser anything of value in order to obtain any contract or any individual task order. Such documents also contain a representation and warranty from the purchaser of such goods

and services to the effect that none of its officials, employees, representatives or agents have or will solicit any payment of a thing of value (whether cash or in kind property) to influence any act, omission or decision in connection with the performance of the contract including without limitation the award of individual task orders.

U.S. Foreign Corrupt Practices. The Company is committed to complying with all of these special requirements including the U.S. Foreign Corrupt Practices Act. The Foreign Corrupt Practices Act prohibits the making of a payment and the offering of anything of value to any foreign government official, government agency, political party or political candidate in exchange for a business favor or when otherwise intended to influence the action taken by any such individual or agency or to gain any competitive or improper business advantage.

Hotline. Personnel are required to report any activities believed in good faith to be unethical, illegal, or in violation of Company policy. A knowing failure to report a violation is itself a violation of Company policy. Greystone has established a 24-hour hotline personnel may use to anonymously report conflicts of interest and other ethical concerns.

EXPECTED OUTCOMES. Greystone's core values of excellence, efficiency, execution and teamwork have led to the company not having any issues in upholding the ten universal principles. We are proud to be part of the Global Compact and the organization's efforts.

More detailed information relating to Greystone Limited can be found on the Company's website: www.greystone-ltd.com