



28.9.12

To Our Stakeholders,

I am writing to confirm that Northcott Global Solutions (NGS) has continued support for the Ten Principles of the United Nation's Global Compact covering the four main areas as follows: Human Rights, Labour, Environment and Anti-Corruption. Our Communication on Progress highlights the steps that have been taken by NGS staff to align their everyday actions with the Ten Principles.

NGS recognises the implications of its day-to-day actions and takes full accountability of operating in a responsible manner that supports high environmental and social standards worldwide. Moreover, NGS is committed to constantly review and develop practices to positively contribute towards general wellbeing in all aspects of the world that we live in. NGS as a company recognises that this is an on-going process where there is continually room for improvement.

NGS commits to sharing this information to all stakeholders using our primary channels of communication and furthermore welcomes any feedback that others wish to provide.

Sincerely Yours,

Ted Jones

CEO



22 Bevis Marks, London. EC3A 7JB United Kingdom

Telephone +44 207 183 8910 | fax +44 207 183 8919 | email info@northcottgs.com | web www.northcottgs.com

NAIROBI

LONDON

UN Global Compact – COP

Human Rights Principles

Assessment, Policy & Goals

NGS is actively committed to promoting human rights standards to all of its staff and stakeholders. NGS respects international human rights standards throughout its global operations and furthermore avoids complicity in all Human Rights abuses. NGS supports the principles outlined in the Universal Declaration of Human Rights.

NGS continues to implement its Human Rights Policy, which can be read in its entirety at the link provided.

NGS's other company policies with reference to the wider spectrum of human rights standards include:

- Grievance policy
- Equal Opportunity Policy
- Supplier Code of conduct

These policies can be viewed in full here:

Policy/ Document	Link to Policy
Employee handbook	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARZGV5TmVBTEpwb3M/edit
Equal Opportunities policy	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARU1M4U1I3bFhPems/edit
Grievance Policy	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARZWf1c09MSzJkTUE/edit
Human Rights Policy	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARTmptMnc5Z1p5RDg/edit
Suppliers Code of Conduct	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARU2JydDhTVUR6Y0U/edit

All NGS staff, contractors and suppliers must adhere to all policies. Wording outlining this is being added to all new employment and service contracts.

NGS is developing a system to feedback suggestions on how this process can be improved. We aim to have this go live 10th December 2012.

Implementation

NGS maintains a summary of the *Universal Declaration of Human Rights*; which is available to all members of staff and contractors at the back of the Human Rights Policy. This is also highlighted in the NGS Employee Handbook (revised and distributed among staff, at least once a year, to actively convey all NGS policies and codes of conduct).



NGS provides a number of options for reporting Human Rights Violations. The procedures and responsibilities are outlined in the Human Rights Policy and in the Grievance Policy & Procedures. This is annually distributed and updated.

Any instances of deliberate Human Rights violation will lead to instant dismissal, as outlined in the Human Rights Policy.

Measurement of outcomes

NGS keeps a complete and comprehensive log of all grievances and reported violations of policies.

NGS investigates each grievance with regards to source of grievance, outcomes and solutions. The effectiveness of the process is monitored, improvements are suggested and implemented into the process for the future. There is a dedicated person responsible for heading this investigation process. Should no violation of human rights occur in the year- the process shall be updated and improved on at least an annual basis. All relevant information and/or changes to the system are presented to higher management and colleagues alike.

Training and guidance on the policies is available to staff members. This includes the consequences of policy breach.



22 Bevis Marks, London. EC3A 7JB United Kingdom

Telephone +44 207 183 8910 | fax +44 207 183 8919 | email info@northcottgs.com | web www.northcottgs.com

NAIROBI

LONDON

Labour Principles

Assessment, Policy & Goals

NGS recognizes the right to collective bargaining and avoids complicity in child labour, all forms of forced labour and any type of employment/ occupation discrimination. NGS recognizes the labour standards as set out in the International Labour Organisation's eight Core Conventions.

NGS's labour policies include:

- Health and Safety Policy (& Fire Orders)
- Equal Opportunity Policy
- Human Rights Policy
- Suppliers Code of Conduct

These policies can be viewed in full here:

Policy/ Document	Link to Policy
Employee handbook	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARZGV5TmVBTEpwb3M/edit
Equal Opportunities policy	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARU1M4U1I3bFhPems/edit
Fire Orders	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARbl9oWWpEY2lqdHM/edit
Health and Safety Policy	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARYmZaQXdaNWIXRHM/edit
Human Rights Policy	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARTmptMnc5Z1p5RDg/edit
Risk Assessment Form	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARWUZzS1c4eGFQdXc/edit
Suppliers Code of Conduct	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARU2JydDhTVUR6Y0U/edit

All policies are accessible to all members of staff and contractors.

All policies are reviewed annually and updated as necessary. All changes and updates are communicated to staff and primary contractors and guidance on all policies is available. (Office staffs are requested to sign a register to confirm receipt and understanding of Fire Orders also).

Implementation

NGS Employee Handbook All policies are highlighted in this handbook, clearly outlining where these documents can be found. The handbook highlights that we welcome suggestions on any policy and such suggestions are commutated for review by senior management and the policy/governance team. Meanwhile all the policies listed in the previous section (Assessment, Policy and Goals) are updated and distributed at least once a year to raise awareness.



Appraisals All staffs have a scheduled one-on-one meeting with the CEO and/or senior management bi-annually. Here they are invited to voice any queries, concerns, recommendations etc. in confidence. There has been very positive feedback on this exercise from employees and several issues have been captured and used in following company standards/policies.

Equal Opportunity Policy NGS is an equal opportunities employer and NGS has a comprehensive Equal Opportunities Policy. Following a recent meeting with our Solicitors Richard Magnus (director) recognized and put together a plan to increase accessibility to the office for disabled people. The following conclusions from the meeting were reached:

- 1) There is an obligation to make reasonable adjustments to ensure the individual can perform their job as if they were able bodied
- 2) Must take into account their disability from the outset and prior to employment
- 3) You should be guided by him and his requirements – be guided by your employee
- 4) There is no issue with him being a lone worker; this is a “red herring”
- 5) Best possible advice is to always go over and beyond the requirements you would perform as an employer for your less-abled bodied employees

Health and Safety NGS formally carries out full risk assessments for all operations; appropriate precautions are always taken. For office-based operations, NGS complies with all national standards to protect staff for unnecessary hazards. An additional Risk Assessment form (link attached) is distributed to office based staff (and is available throughout the year on the NGS server and on the internet)- to officially register any hazards around the office that require attention. This helps to ensure quick and effective action on new issues, however a thorough assessment is made biannually.

Measurement of outcomes

Any breach in policy is recorded and investigated. Level of investigation and outcome is dependent upon the severity of incident. Legal action may follow if necessary. However, *all* incidents/grievances are recorded and reported to senior management. Procedures are taken to ensure all relevant information is captured and recorded, and where necessary escalated for action. If action is required, a designated member of the senior management team will host regular (to be communicated at first possible instance after registration of issue/grievance) internal meetings until all parties are satisfied that appropriate action has been taken.

NGS keeps statistics on number and severity of issues/grievance with regards to all its policies, these are regularly reviewed (after every major event or annually –whichever is more frequent). NGS seeks to continually improve these statistics through a process of policy review, staff engagement and improved working standards.



NGS keeps data on all of their employees (including management); including age, gender, race, disability, sexual orientation, religion or beliefs. Access to this data is strictly controlled in accordance with the UK Data Protection Act. This would allow NGS to provide accurate information to support any cases against discrimination being brought against them.



Environmental Principles

Assessment, Policy & Goals

NGS takes its environmental and sustainability policies seriously. This is currently a specific area of focus (reflected in the brand new policies and techniques of recording NGS' environmental footprint written in June 2012). NGS is committed to meet environmental best practices appropriate to our business processes worldwide.

The following policies outline NGS' commitment to the environment and sustainability:

- ***Corporate Social Responsibility and Sustainability Policy.***
- ***Corporate Policy on the Consumption of Energy and Water Use***
- ***Waste Management and Recycling policy***
- ***Sustainable Forest and Paper Policy***
- ***Environmental Policy and Environmental Management Systems Policy (EMS)***

All of these policies were fully reviewed and re-launched in June 2012.

These policies can be viewed in their entirety at:

Policy/ Document	Link to Policy
CEO's Letter of Environmental Commitment	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARNVFSSTNUTEJ3a2s/edit
Energy and Water use Policy	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARTEtuUm1iTkTV1k/edit
CSR & Sustainability Policy	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARM0d6YIRfOEg3N2M/edit
Environmental Policy & EMS	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARV3ZzNkkySXIKVms/edit
Suppliers Code of Conduct	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARU2JydDhTVUR6Y0U/edit
Sustainable Forest & Paper Policy	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARa3BBR2Jab252WTQ/edit
Waste Management Policy	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARd2UwSTQ3cWFYTUE/edit

NGS goals in this area are simple; we aim to reduce consumption and waste through increased efficiency of use of all basic supplies.

Example of success of the NGS EMS - It was brought to our attention (through comparing stationary orders- see Measurements) that we needed to reduce the amount of paper & ink used in the office: This is because we have been carrying out a new service for our clients and as a result we have had to print much more documentation.

Implementation

The Environmental Management Systems Policy is updated and distributed on an annual basis at least. All staffs are encouraged to read the documentation to increase their



awareness of the implementation procedures and to recommend any additional environmentally friendly practices. In addition there are environmentally focused guidelines, as set out in our Suppliers Code of Conduct. These provide a framework that illustrates to our suppliers the environmental standards that we expect them to meet in their operations. It is our intention to add wording outlining such compliance to all new supplier contracts/agreements.

In the Office:

Below are a handful of examples that NGS is employing to attempt to reduce its environmental footprint in the office:

- A 'bin-less' office (1 per office, no desk bins)
- Recycling schemes
- Energy saving procedures, turning monitors and equipment off when not in use
- Reducing paper consumption, a 'paperless' office where possible.

In the Field- Worldwide:

NGS considers its operational approach revolutionary in many ways. This includes caring for the environment. Our model of coordinating a global network of resources allows us to simplify logistics and therefore reduce carbon footprints on an enormous scale. We do this by having assets already in situ, meaning we do not have to fly half way across the world to get to the point of incident (like our competition) instead we coordinate assets that are already there.

Measurement of outcomes

NGS closely monitors its environmental impact. All these results are compiled into a report bi-annually. The results and highlights of this report can be found in the back of the CSR and Sustainability Policy. Senior Management reviews this report.

Paperless office Aim – NGS records the amount of paper it uses bi-annually comparing quantities ordered to the previous 6 months to check progress. The same is done for printer ink. It was brought to our attention that we had increased the amount of paper and ink dramatically after taking over the company *Trango Ltd.* (see paragraph on Assessment Policy and Goals). We have therefore reacted to this and changed our system. This was achieved through the process of using our EMS and identifying the results in our Corporate Social Responsibility Report Results found in the back of NGS' CSR & Sustainability Policy.

Utility bills are used to identify any changes in water/electricity. This is achieved in much the same way as the stationary monitoring in the example above.



Anti-Corruption Principles

Assessment, Policy & Goals

NGS is a signatory to the UK Anti Bribery Act 2010.

NGS is dedicated to ensure full compliance with all anti-bribery and corruption laws and regulations by all its employees and associated agents. NGS has a no tolerance policy towards bribery and corruption as outlined in NGS' Anti-Bribery Policy. This policy extends to the company's business dealings and transactions in all countries in which it, or its associates, operate. This policy is given force in a detailed company anti – bribery program, which includes training and is constantly revised to capture changes in law, reputational demands and changes in the business. All employees are required to comply with this policy, as per the Employee handbook, and are thus contracted to follow its guidance.

NGS is in full support of the UN Convention against Corruption and strictly follows the criteria below:

The company and its employees are:

- Prohibited from offering, promising or paying a bribe of any kind
- Prohibited from soliciting, accepting or receiving a bribe of any kind
- Prohibited from giving or offering anything of value to a public official
- Required to comply with the company's guidelines in giving and receiving hospitality
- Prohibited from making facilitation payments
- Required to complete due diligence on all agents, representatives, suppliers, contractors, joint venture partners and all those with whom a business relationship is established

Every time a new project is taken on in a new country, staff are required to refer to the "TI (Transparency International) Corruption Perception Index" easily accessible to all (on the NGS server). This index ranges from 0-10 and should the country obtain an index number below 5 it is a requirement to carry out an Anti-Bribery Risk Assessment as part of the operational due diligence process.

Other Relevant Corporate Documentation

NGS also have obligatory Due Diligence Questionnaire for all service providers, a Service Provider Agreement to contractually bind these companies to abide by NGS anti-Corruption standards, a Supplier Code of Conduct (outlining what we expect from our service providers), a Password Protection Policy, a Data Protection Policy and a Data Classification Policy. All these documents can be viewed in full through the relevant links.



All relevant documentation and policies can be viewed in full here:

Policy/ Document	Link to Policy
Anti Bribery Policy	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARVIZGT0IUYTMyOEU/edit
Data Classification Policy	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARM1FCOWtEaVJhdkU/edit
Data Protection Policy	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARdUxxZjdENG1GOTg/edit
Employee handbook	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARZGV5TmVBTEpwb3M/edit
Password Policy	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARS1A4dIRBV1VFNUU/edit
Suppliers Code of Conduct	https://docs.google.com/a/northcottgs.com/file/d/0B3hMpTDYOKARU2JydDhTVUR6Y0U/edit

Implementation

Anti-Bribery and Anti-Corruption training including a PowerPoint presentation is carried out at least once a year. A register is taken at the end of each training session to confirm and record staff attendance.

Except to the extent explicitly prohibited by applicable law, if an incident occurs of this nature by NGS or any Third Party, it should be reported to your line manager immediately. Personnel will not be subjected to retribution for good faith reports of suspected violations. If a violation occurs the person involved will be removed from the case and senior management and external counsel Investigations handle the matter, legal cases, rulings fines and other relevant events relating to corruption and bribery will ensue. As part of the investigation process internal meetings are held to identify any shortcomings relating to how effectively the issue was dealt with and how the process of handling infringements can be improved in readiness for a potential reoccurrence.

All incidents are confidentially reported and recorded. These records are reviewed (at least annually) to ensure compliance and, if necessary, to develop risk registers and new policies.

Measurement of outcomes

All NGS policies are revised at least once a year, alongside the information relating to past offenses. NGS internally audits the process by which it communicates these policies and internally audits the methods in which it deals with any infringement of the policy. These internal audits help to ensure there is consistency with anticorruption commitment and ensure policies are kept up to date and relevant.

NGS are currently reviewing their Anti-Corruption policies to include specific guidance on how to deal with this type of behavior should they be confronted with it. This part of the document shall cover a variety of circumstances for example if they do not have



immediate access to communicative technologies to report the incident immediately due to poor coverage in remote location of the world in which we regularly operate.



Summary

NGS are continually monitoring and reviewing the way we carry out our operations to ensure that we are developing a true sustainable business. As the organization grows it will become more important to accurate record and report on all UNGC Principals, allowing us to track our progress against best practices and improve process and operations in a sustainable manner.



22 Bevis Marks, London. EC3A 7JB United Kingdom

Telephone +44 207 183 8910 | fax +44 207 183 8919 | email info@northcottgs.com | web www.northcottgs.com

NAIROBI

LONDON