



COMMUNICATION ON
PROGRESS

This is our **Communication on Progress**
in implementing the principles of the
United Nations Global Compact and
supporting broader UN goals.

We welcome feedback on its contents.

DECEMBER 2013 – NOVEMBER 2014

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STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER (CEO)

I am honored to reaffirm ERY S Group's continuing support for, and commitment to, the UN Global Compact.

This is our second Communication on Progress (COP).

Since the last year report, several steps have been taken by ERY S in order to put the anti-corruption and human rights principles at the hearth of our operations. This Communication examines those steps and describes the measures and the indicators that show the results achieved.

The growth in terms of annual turnover and number of clients registered by ERY S Group in the last three years encouraged us to better define our policy in terms of sustainability and social responsibility.

Working in environments often theatre of conflicts and sever violations of human rights, ERY S is fully aware of the importance of the strict affirmation and implementation of the UN Global Compact principles.

Driven by this firm intention, ERY S Group is pleased to address this Communication on Progress, reaffirming it as a key issue in its dealings with partners and commissioning parties.

I am looking forward to reporting on our progress next year.

A handwritten signature in black ink, appearing to read "Arnaud Dessenne".

Arnaud Dessenne
CEO, ERY S Group

HUMAN RIGHTS PRINCIPLES

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

ASSESSMENT, POLICY AND GOALS

The activities implemented by ERYs Group are based on the human rights commitments entered into the Universal Declaration of Human Rights, the Voluntary Principles on Security and Human Rights, the Montreux Document and the International Code of Conduct for Private Security Providers.

ERYs Group implements projects and operations in countries that are affected by conflicts, fragility and violence. For this reason, ERYs Group strives for the elaboration of common standards for its subcontractors. In particular, ERYs Group's commitment to the UN Global Compact's principles on human rights is expressed in our Ethic Charter, stating that '*ERYs Group supports the Universal Declaration of Human Rights, and our employees are never to be in complicit in human right abuses*'. The Ethic Charter is available on our website (www.erysgroup.com) and has to be signed by all subcontractors wishing to work with ERYs Group in each theatre of operation.

IMPLEMENTATION

ERYs Group has implemented several actions in 2014 in order to include the respect of Human Rights into its daily work.

Training and Introductory Briefings

Working in hostile and volatile environments, one of the main concerns of ERYs Group is to guaranteeing a solid and trusted establishment of partners network in the countries where the operations are conducted. As said before, all subcontractors of ERYs Group shall sign and comply with the principles stated in the ERYs Group' Ethic Charter.

Furthermore, the management personnel working in higher-risk environments gets a compulsory introductory training, composed of a specific course and a briefing document, to make sure that they full understand their responsibilities in terms of respect of human rights.

Finally, following the successfully experience in New Caledonia (January 13), Human Rights courses have been proposed and accepted by several clients of ERYs Group in different countries and have been conducted to the benefit of the employees working in the fields.

Internal Reporting Process

The employees of ERYs Group are encouraged to report any alleged violation of human rights or any unacceptable or inappropriate conduct in relation to other ethical issues. The issue shall be raised through a specific complain box that has been installed in every ERYs Group' office worldwide. The CEO is directly involved in dealing with such reports.

Participation to International Instruments

ERYS Group was one of the first signatories of the International Code of Conduct for Private Security Service Providers (ICoC), which establishes human right-based principles for the responsible provision of private security services.

Recently, ERY S Group finalised its membership to the International Code of Conduct Association (ICoCA, <http://www.icoca.ch/>), a multi-stakeholder initiative counting States, private security companies and civil society organisations among its members.

MEASUREMENT OF OUTCOMES

In 2014, no violation of ERY S Group Ethic Charter neither of the Human Rights principles has been noticed nor reported.

In order to guarantee a fully satisfactory performance of our subcontractors and partners in our projects, field visits of the CEO and / or his deputy are foreseen in 2015.

LABOUR

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 FORCES AND COMPULSORY LABOUR;
PRINCIPLE 5: THE EFFECTIVE ABOLITION OF CHILD LABOUR; AND
PRINCIPLE 6: THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION

ASSESSMENT, POLICY AND GOALS

The main strength of ERYs Group is the quality of its people. For this reason the Group places great importance to the selection and the recruitment of its employees. Moreover, ERYs Group strives for providing opportunities for our people to develop, achieve their professional goals and enjoy a successful career within the company.

Within this context, the Ethic Charter of ERYs Group makes a clear reference to the International Labour Organization's (ILO) 'Declaration on Fundamental Principles and Rights'.

Protection against discrimination, especially on the ground of ethnic origin, gender, religion, disability, age, sexual identity and orientation, is also enshrined in our Ethic Charter. Also, we fully comply with the requirements of French' national gender equality law.

IMPLEMENTATION

Both in headquarter in Paris and in the offices worldwide, staff meetings are held regularly, and there are also other opportunities for dialogue within specific videoconferences with the presence of the CEO.

ERYs Group often works in countries and regions where the conditions are particularly difficult and complex. For this reason ERYs Group continually review the contracts, insurances, policies and procedures to ensure the compliance with local legislation.

ERYs Group carefully controls its subcontractors and prospective employees before engaging them and expects them to comply with its policies when working on the company's behalf.

MEASUREMENT OF OUTCOMES

In the last year ERYs Group maintained a representation of female employees in line with the industry average and further developed its global bonus scheme to recognise individual performance still further.

The employees greatly appreciated the regular staff meeting and the increased communication with the executive officers.

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.

ASSESSMENT, POLICY AND GOALS

Due to its specific area of expertise, ERY S Group has a relatively low impact on the environment. However, ERY S identified three key areas of environmental focus and is fully committed to evaluating and monitoring the performances in these areas:

- Reducing offices waste and consumption
- Promoting a sustainable travel policy
- Raise the awareness of the employees and subcontractors

IMPLEMENTATION

As far as the reduction of offices waste is concerned, specific measures have been taken in order to run a recycling awareness campaign among the employees.

The nature of our activities means that travel cannot be avoided. However, the use of video conferencing and online messaging has been incentivised to discourage the travel. When absolutely necessary, train has always been preferred over flights in order to reduce the carbon footprint.

MEASUREMENT OF OUTCOMES

In 2014, an increase in the percentage of recycled waste (paper, glass and plastic) has been registered compared to 2013. This figure is expected to further increase in 2015.

At the same time, we registered a decrease in the electric bill for ERY S Group' headquarter in Paris.

ANTI-CORRUPTION

PRINCIPLE 10: BUSINESS SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY.
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ASSESSMENT, POLICY AND GOALS

ERYS Group' commitment to the Tenth Principle is expressed in its Ethic Charter (available on our website www.erysgroup.com).

Beyond the obligations derived from the compliance with the French and international law, integrity and anti-corruption are considered as two core elements of our compliance management. Operating in fragile environments, a particular attention is given to the monitoring of any activity that can be assimilated to corruption (active and passive bribery, giving and taking of gifts and other benefits, the employment and contracting of related or associated persons and other conflicts of interest).

IMPLEMENTATION

Two major axes have been identified:

Training and awareness

As reported in our last COP, ERYs Group CEO intervenes in classes and conferences on order to sensitize the company staff to the particular risk of corruption.

Furthermore, the recruitment process conducted by ERYs Group is conceived with the aim to minimise the risk of illegal, unethical or unprofessional behaviour. This is made through face-to-face training sessions combining a briefing with discussion scenarios focusing on common situations such as demands for facilitation payments during specific procedures.

Control of subcontractors

The principles adopted by ERYs Group in terms of anti-corruption apply to subcontractors as well. In fact the process of selection and management of our subcontractors is aimed at minimising the risk of illegal, unethical or unprofessional behaviours and at reinforcing the existing awareness in terms of relations with third parties and ethical behaviour. This approach is adopted both with new and existing subcontractors.

MEASUREMENT OF OUTCOMES

In 2014, the Ethic Committee, at the management level of the Group or at any subsidiary level has noticed no corruption act or attempt.