

2015 Communication on Progress

March 2015

To our stakeholders

STATEMENT OF CONTINUED SUPPORT

The Erinys Holdings Board of Directors is pleased to re-affirm its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. Erinys' commitment has been woven into all aspects of the Company's daily operations, culture and strategy and further enshrined in our Code of Conduct, which explicitly includes the Ten Principles of the Global Compact. The Code of Conduct provides detailed guidance to both Erinys' management and personnel working under their direction. We also commit to sharing this information with our stakeholders using our primary channels of communication.

We recognise that a key requirement for participation in the Global Compact is the annual submission of a Communication of Progress (COP) that describes our company's efforts to implement the ten principles. We support public accountability and transparency, and therefore commit to report on progress annually according to the Global Compact COP policy.

JONATHAN GARRATT

Chief Executive Officer

Erinys Holdings Limited

HUMAN RIGHTS

Assessment, policy and goals

*Description of the relevance of human rights for the company (i.e. human rights risk-assessment).
Description of policies, public commitments and company goals on Human Rights.*

Erinys recognises that the demand for and delivery of security and support services must be combined with a respect for internationally recognised humanitarian and human rights principles and generally accepted commercial practices. This applies to both business and individual behaviour. We are firmly committed to upholding human rights in all aspects of our business and believe in the value of all individuals and their right to respect and all other basic human rights contained in the Universal Declaration of Human Rights.

Erinys exercises a zero tolerance policy in any activities that contravene its Code of Conduct. All business activities are monitored by the Erinys Board of Directors to ensure they fully

comply with the demands of the Erinys Code of Conduct. In many instances, Erinys also has to comply with stringent Human Rights policy demands of its clients.

Erinys will not engage in any business dealings with organisations, entities or individuals who have been found in breach of international human rights or humanitarian law.

Implementation

Description of concrete actions to implement Human Rights policies, address Human Rights risks and respond to Human Rights violations.

Erinys respects and protects human rights in its daily operations. Policies on upholding Human Rights are set out in detail in the Company's Code of Conduct. In this document, the Legal Framework is described as follows:

‘As a supporter of the United Nations Global Compact and as an International Code of Conduct (ICoC) Signatory Company, Erinys operates in accordance with the provisions of the following:

- *The International Code of Conduct for Private Security Services Providers*
- *The Ten principles of the UN Global Compact*

As a signatory of The International Code of Conduct for Private Security Services Providers, Erinys undertakes that we have the responsibility to respect the human rights of personnel, clients, suppliers and the population of the area in which services are provided.

Company policy requires that all employees are given Code of Conduct induction training on joining Erinys and are asked to sign their confirmation to uphold the Code. In addition, Erinys maintains a policy whereby employees are provided with six monthly refresher training to re-affirm their intent to uphold the code by signing the acknowledgement. In addition to this, training courses conducted by Erinys includes a section that covers Ethics and Human Rights.

The Code of Conduct clearly outlines the prohibition and seriousness of – Sexual Exploitation, Human Trafficking & Forced Labour and Child Labour.

The Company’s Procurement policy includes the verification that suppliers have a human rights policy in place.

Human Rights is further addressed under the Universal Prohibitions section of the Code of Conduct, wherein it specifies the referral of transgressors to the relevant international Competent Authorities.

Measurement of outcomes

Description of how the company monitors and evaluates performance.

Code of Conduct training covering all aspects of the Ten Principles is recorded on personnel records and employees are required to acknowledge understanding and acceptance thereof. This procedure occurs bi-annually.

As a signatory company of The International Code of Conduct for Private Security Services Providers (ICoC), the reporting of Abuses by Third Parties is a requirement.

Any contravention of human rights will be documented and the responsible stakeholder will be placed on probation and given a timeframe to address and resolve the issue. Continued non-compliance will result in the relationship being terminated. Senior management will audit suppliers randomly without any warning to ensure that they are working within the defined guidelines of human rights.

Erinys has not received any complaint from employees, business partners or clients in relation to (potential) human rights violations, nor was the company involved in any human rights incidents during the reporting period. We therefore regard the Company's performance in the area of Human Rights as satisfactory.

LABOUR

Assessment, policy and goals

*Description of the relevance of labour rights for the company (i.e. labour-related risks and opportunities).
Description of written policies, public commitments and company goals on labour rights.*

All Erinys employees have their rights and contractual obligations clearly explained to them and detailed in their contract of employment. This includes, discrimination and equal opportunities, conditions of employment and work (remuneration, benefits, working hours, leave, benefits etc).

Erinys' commitment to equal opportunities is further highlighted on the Company's website.

It is the Company's policy to ensure that all employment has legally compliant contractual underpinning.

Erinys' Health & Safety policy outlines the company's commitment to the following:

- Provide and maintain a safe and healthy working environment.
- Comply with applicable laws in the countries of operation.
- Exercising of personal responsibility by all employees.

Implementation

Description of the relevance of labour rights for the company (i.e. labour rights-related risks and opportunities). Description of written policies, public commitments and company goals on labour rights.

Management at all levels is responsible to the Erinys Board of Directors for implementing the Company's labour and related policies.

All employees are subject to regular Health and Safety training and briefings, and compliance is entered on individual training records.

The Company's Health & Safety Policy clearly outlines responsibilities, accountabilities and procedures to ensure the health and safety of employees.

Employee rights are clearly stated in the Code of Conduct and employment contracts specifically outline responsibilities, compensation and benefits.

Performance is monitored and evaluated on an ongoing basis. An 'employee of the month' is recognised monthly at each project site by way of a financial reward. In addition to this, annual performance appraisals are conducted and recorded on respective personnel files.

Erinys values good labour relations and ensures that continuous communication is maintained with employee representatives. Quarterly meetings with labour- elected representatives are held to address any employment or social issues.

Measurement of outcomes

Description of how the company monitors and evaluates performance.

The Health & Safety Policy outlines the process of audits and reporting to Senior Management. Immediate reporting is required in the event of fatal accidents, accidents resulting in hospitalisation, serious injury, and significant employee exposure to a health and safety risks. Incident reports are supplied to management as and when they occur and further consolidated bi-annually, per region.

It is the duty of management to investigate breaches against the Company's labour policies, and if necessary refer these to the relevant external agencies.

The Erinys Board of Directors is updated on a regular basis on labour related disputes as well as their management and resolution.

Erinys has not been involved in any investigations, legal cases or other relevant events related to the contravention of the Global Compact Labour principles, in this reporting period.

We regard the area of Labour as satisfactory performance for the reporting period.

ENVIRONMENT

Assessment, policy and goals

Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities). Description of policies, public commitments and company goals on environmental protection.

Erinys policy and commitment to the protection of the environment is set out in the Company's Policy on the Environment. The Environmental Statement outlines the company's commitment to:

- comply with regulatory requirements in the countries in which we operate,
- continually improve and monitor environmental performance,
- continually reduce environmental impacts and
- incorporate environmental factors into business decisions and increase employee awareness and training.

In addition, the company's revised Procurement Policy recognises that sustainable purchasing is a critical component of preserving our natural resources and minimizing waste. Erinys promotes business with suppliers that demonstrate sustainable and socially conscious business practice.

Implementation

Description of concrete actions to implement environmental policies, address environmental risks and respond to environmental incidents.

Environmental Awareness training is included as part of regular Health & Safety at work training and is incorporated into the Company's management procedures.

Given the inherent risks of operating in complex environments, Erinys takes its environmental health and safety responsibilities very seriously. The precautions and procedures are well documented in both the Code of Conduct and the Health Safety & Environmental Policy.

In addition, Erinys adheres to and is committed to usually very demanding client HSE requirements - particularly on project sites.

The Environmental Statement outlines our commitment to minimizing waste in the use of paper, promoting the purchase of recycled and recyclable paper products and the recycling of paper where possible. The Company is committed to communicating environmental benefits to its various stakeholders. An example of this is our notice of - *'Please consider the environment before printing this email and/or any related attachments'* on all email communication sent out.

The Supplier Verification Checklist identifies a suppliers' environmental performance and business units are encouraged to promote businesses that are environment conscious.

Measurement of outcomes

Description of how the company monitors and evaluates environmental performance.

Bi-Annual reporting is conducted by the respective country management and evaluated by Senior Management.

It is the duty of management to investigate breaches against the Company's Health Safety & Environmental Policy, and if necessary refer these to the relevant external agencies.

No complaints or adverse reports were received during this reporting period and we therefore regard our environmental performance as satisfactory.

ANTI-CORRUPTION

Assessment, policy and goals

*Description of the relevance of anti-corruption for the company (i.e. anti-corruption risk-assessment).
Description of policies, public commitments and company goals on anti-corruption.*

Erinys abides by the US Foreign and Corrupt Practices Act⁹ and the UK Bribery Act 2010¹⁰ and holds their provisions to be binding on all subsidiaries regardless of location.

Erinys' Code of Conduct expressly forbids the giving and taking of bribes and any form of conflict of interest, extortion or corruption. 'Bribery' is clearly specified as one of the Company's universal prohibitions and we exercise a zero tolerance approach to corruption at any level.

The Procurement Policy further reiterates the following:

- Declining personal gifts or gratuities.
- Demanding honesty in sales representation whether offered through a verbal or written statement, an advertisement, or a sample of a product.
- Cooperate with trade, industrial and professional associations, and with governmental agencies, to promote and develop sound business methods.
- Foster fair, ethical and legal trade practices.

Implementation

Description of concrete actions to implement anti-corruption policies, address anti-corruption risks and respond to incidents.

Erinys' anti-corruption policies are regularly briefed as part of our employee induction process, and periodic Code of Conduct training sessions as set out in Company's policy. A dedicated Email address has been implemented to provide employees with the means of reporting any breaches and alternative reporting methods outlined for non-Email users.

Internally, we have maintained an excellent check and balance system over transactions. This information is checked and controlled by the finance department and ultimately reaches the CEO.

Erinys only accepts assignments which are within the range of our expertise and experience and are compatible with our vision and mission. Should a client requirement not be consistent with our vision and mission, discussions are held with the client, and if necessary, Erinys will decline the request/assignment.

It remains line management's duty to investigate and report all incidents of alleged corruption, reporting these up the management chain as required.

Measurement of outcomes

Description of how the company monitors and evaluates anti-corruption performance.

Erinys has stringent internal management and accounting controls, in line with the Generally Accepted Accounting Practice (UK), to ensure that the Company meets relevant UK and international legal, financial and reporting obligations. This would identify any spurious payments which could be related to bribery or corrupt behaviour.

Erinys has a well established procedure for investigating corruption allegations, which provides for external audit agencies to become involved as required.

There have been no reported corruption incidents during this reporting period. Erinys' performance in the area of anti-corruption is therefore satisfactory.