

United Nations Global Compact

GardaWorld International Protective Services Communication Progress

10th August 2016

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PRESIDENT & COO STATEMENT OF CONTINUED SUPPORT

I am pleased in 2016 to re-pledge the support of Aegis Defence Services Limited and for the first time to pledge the support of GardaWorld International Protective Services (GardaWorld) for and participation in the United Nations Global Compact, and to provide our action plan to continue to deliver our commitment to advancing internationally recognised Human Rights, Labour, Environmental and Anti-Corruption principles. Our commitment to these principles is a fundamental element of our long-standing work to establish and develop high standards across the private security industry.

By way of explanation Aegis was acquired by GardaWorld in September 2015 and decided to also pledge its commitment to and support for the Global Compact. GardaWorld IPS took the opportunity to merge the best practices from both businesses to ensure that we keep building on the leading role that each of the entities have played over the past decade to create and implement a regulatory framework for the global security sector that has human rights at its heart. The acquisition and integration activities strengthened our approach to and compliance with standards and professionalism in a high-risk industry.

We are determined to continue to improve our performance in all areas and our support and commitment to the Compact is unwavering.

Our successes are set out below



Oliver Westmacott

President & Chief Operating Officer, GardaWorld International Protective Services

10th August 2016

GENERAL

GardaWorld is a Dubai based, privately owned company that provides integrated, land-based and offshore security, risk management and consultancy services globally in complex and potentially high-risk environments. The company has overseas offices in Afghanistan, Libya, Nigeria, Haiti, Mozambique, Somalia, Iraq, United Kingdom, Belgium and the USA. We have substantial experience and a world-wide client base, including governments, international organisations and the international corporate sector. We are a major security provider to the US and UK governments, the EU and we are a registered UN contractor.

We offer industry leading risk advice and security solutions – from corporate operations, commercial risk and foreign investment to counter-terrorism, close protection and support to governments. With a global footprint our partners, associates and clients further benefit from the extensive capabilities of our personnel, built up through careers in the military, diplomatic and intelligence services, as well as in the police, journalism, the UN, finance and commerce. This breadth of knowledge, combined with our practical experience gained in over 20 years of operation, allows us to provide the highest quality specialist security advice as well as risk management solutions that take meticulous account of the specific requirements of each client.

Our vision is to be the recognized global leader in providing comprehensive security, crisis response and risk management services in high-risk and complex environments through outstanding service, total integrity and precision of compliance.

GardaWorld believes that the private security sector can only benefit from a continuously improving, properly regulated system of accountability and ethics. As we face changing missions, new responsibilities and increasingly complex and dangerous environments, we recognise that the need for transparency and oversight is greater than ever.

GardaWorld remains committed to setting and adhering to the highest ethical standards, as reflected in our Code of Business Ethics and Standards of Conduct (the “GardaWorld Code”) and Human Rights and Professional Standards policy (see <http://www.gardaworld.com/compliance/>). All employees, advisors and sub-contractors sign up to an internal code of ethics that insists on integrity in all areas of commercial and personal behaviour. These are all set out in the GardaWorld Code.

In 2013 GardaWorld became one of the founding members of the International Code of Conduct Association (ICoCA) and in April 2015 GardaWorld was one of the first companies to be approved by the ICoCA as a transitional member under the Association’s enhanced membership and certification processes. To date GardaWorld is the only company to have shared documentation with the ICoCA for the purpose of testing Certification based on PSC.1. This formalises in an international forum our commitment to conform to the International Code of Conduct for Private Security Service Providers, the Voluntary Principles on Human Rights, UN Guiding Principles on Business and Human Rights and applicable international humanitarian law, human rights and customary laws and agreements. In May 2016 GardaWorld was the first company to be certified on a worldwide basis under the new ISO 18788.

The following core values and standards underpin GardaWorld practice and guide everything that we do, from the strategic decision making to tactical level detail:

- Integrity. Integrity is an essential ingredient of trust and a core requirement of management. We promote a culture of honesty, openness and transparency, and an ethical and working environment based on trust and confidence. We are committed to protecting our clients' people and assets as if they were our own.
- Trust. We aim to create an environment where individuals can be trusted to take full responsibility for their own actions and behave with absolute professionalism at all times. In 2015/16 we set up an Oversight Board that implements a system of checking we do what we say we do and ensures we identify and learn lessons so our clients can be assured of our professionalism.
- Respect. Even in the most difficult of circumstances we will treat each other with dignity and decency.
- Vigilance. We undertake to set the gold standard of delivery by adopting an energetic, vibrant and 'can do' approach and ensure that everyone understands their roles and responsibilities in order to attain the highest of standards.

OUR COMMITMENT

The United Nations Global Compact's principles are reflected in our Company policies, standards and guidance which all flow from the GardaWorld Code. Our Code, our Human Rights and Professional Standards policy, and our Whistleblowing policy, can be found on our Company's internal business management system accessible by all staff. After the acquisition, GardaWorld followed the example of Aegis in its 2015 COP and has updated our website to improve the transparency of our approach to compliance and make it easier for third parties to access our complaints procedure. Communications continue to be carried out regularly with all personnel – from those in our Head Office to locally engaged personnel - to ensure they are familiar with these documents and that a culture of continual improvement is embedded in the organisation.

Below we provide evidence from our relevant policies of how we apply the UNGC's principles in our work; on how these have been mainstreamed into corporate functions and business units; and on the sustainability efforts and performance of the company in the last 12 months including implementation of our action plan in our 2015 communication on progress.

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

Assessment, Policy and Goals

Our commitment to the UNGC's principles on human rights is expressed in the GardaWorld Code, which states that:

- GardaWorld will only engage in legitimate security work which adheres to the principles of International Law, including International Humanitarian and Human Rights Law.
- GardaWorld does not condone, nor will it ever become involved in, the violation of human rights as embodied within the Universal Declaration of Human Rights and the European Convention of Human Rights.

- GardaWorld personnel respect the culture, religion and ethnic customs, human dignity and human rights of the communities and countries in which they work. They will to the best of their ability and wherever possible, rigorously oppose violation of these rights.
- GardaWorld has clear whistleblowing procedures and Third Party Grievance Mechanisms which are overseen by the General Counsel.

We have a specific policy dealing with Human Rights and Professional Standards which outlines the commitment to the UN Guiding Principles on Business and Human Rights, including guidance on human rights impact and risk assessments. Furthermore, although unable to participate formally in the extractives' industry Voluntary Principles on Security and Human Rights (VPs) due to our status as consultants, GardaWorld incorporates the ethos of the VPs into our day-to-day business conduct via the GardaWorld Code and our regular assessments of potential impacts to human rights, at both the strategic and operational level, of Human Rights risks and our potential impacts.

GardaWorld has robust policies requiring our sub-contractors to adhere to these principles. We have a supplier selection policy through which we determine whether potential suppliers meet the same standards and code of ethics and conduct on human rights. Only suppliers that can demonstrate evidence are included on our supplier list. Our due diligence procedure includes where appropriate (dependent upon the area of operations and the work to be undertaken) assessing what training is provided by sub-contractors to their personnel, especially concerning human rights and anti-bribery and corruption. We are in the process of reviewing and will implement revised and increasingly robust due diligence to provide additional assurance.

Systems and Monitoring

- Statement of Conformance and Code of Ethics. In order to maintain the highest ethical standards, GardaWorld ensures that all personnel sign a Statement of Conformance and Code of Ethics; every person's signed statement is kept on record.
- Whistleblowing. The Company encourages all workers to take responsibility for raising any concerns that they might have about any unethical malpractice or human rights abuses within the workplace. As such GardaWorld has a designated Whistleblowing Policy in order for any individual to report concerns about potentially dangerous, illegal or unethical workplace practices. The policy and procedures allow anonymity if it is requested. Any cases of whistleblowing are monitored by the Legal Department to ensure they are properly handled and that lessons are identified.
- Training for Operatives. To ensure our ethos is properly understood by all deployed personnel, training is given in Geneva Convention, Hague Convention and International Humanitarian Law; Local Law; Human Rights Law (including anti trafficking in persons); Public International Law; the Montreux Document and UN Global Compact and, where relevant, Sharia Law. In addition, every member of staff receives mandatory training and participates in workshops on human rights including the UN Guiding Principles on Business and Human Rights. Attendance on training courses is recorded and monitored and the requirement for continuation training is reviewed as part of regular performance reviews.
- Policy Implementation. Human Rights Impact Assessments are carried out six-monthly at the strategic level to review and ensure that all our policies, systems and procedures comply with the requirements of salient human rights. Human Rights Impact Assessments are also carried out when entering into new markets or contracting with new clients, to determine whether we are comfortable working in such regions or with such clients, and at the country and project level to identify any potential increased risk of negatively impacting human rights

through our activities. All projects, as part of the overall risk management procedures within our business, conduct a specific Human Rights Impact Assessment in relation to the conduct of their operations.

- Policy Implementation. Our Oversight Board meets at least once per quarter to drive continual improvement across the company, monitor Company performance against the Business Management System including through ensuring internal audit schedules are maintained, the monitoring of relevant data such as trend analysis of incident data and audit recommendations, and ensuring that lessons/improvements are incorporated into company policy, procedure and practices.

Measureable Achievements since last COP

In the last 12 months GardaWorld has achieved measurable improvements in our processes, systems and culture, including the achievement of plans set out in our 2015 Communication on Progress. Company examples are:

- As envisaged in our 2015 Communication on Progress we have achieved certification to the international standard ISO 18788 that has human rights risk management at its heart, we were the first security company to achieve this standard and it was achieved across our operations worldwide.
- We have reviewed all of our policies and procedures within our Business Management System following the merging of Aegis and GardaWorld to ensure that best practices and previous lessons identified were incorporated into our operating procedures.
- The internal Compliance and Assurance Audits that are conducted on all operational locations were reviewed in order to ensure that questions were in place about human rights in order to provide a continual assessment of our performance to the Oversight Board.
- We have continued to provide input and support to help build the ICoCA into an effective, high-profile organisation focussed on monitoring the health of the Private Security Sector globally. We contributed directly to the development of the ICoCA's full membership requirements and its role in 'certification' of private security companies.
- We have enhanced our training provision in respect of human rights through the implementation of human rights training workshops throughout our business, specific to GardaWorld, to reflect the latest thinking on Human Rights including the UN Guiding Principles Reporting Framework and to assist our employees from transitioning their theoretical knowledge of human rights issues into a greater practical understanding of how these issues affect and impact us.
- We have embedded Human Rights Impact Assessments as part of our overall risk management approach at a project level throughout our business.
- We have implemented a question set on Human Rights, into our internal audits, and review the results of the internal audits at each and every Oversight Board meeting.

Plans for 2016/17

We will:

- Retain and develop our ISO 18788 status by rolling it out to any new countries we commence business in and also to any newly acquired business units and will continue to

reinforce independent testing of our human rights, risk management and continuous improvement policies and procedures to every aspect of our business.

- Carry out our next annual review of our policies and procedures throughout 2016 to ensure that lessons are identified and continual improvement opportunities exploited. We will apply the results to our Business Management System as part of each and every Oversight Board.
- As an industry leader remain involved through various technical committees, working groups and professional bodies in the updating and review of industry standards.
- Continue to work with the ICoCA to develop its complaints and international monitoring functions as part of its development into an effective, high-profile, organisation focussed on monitoring the health of the Private Security Sector globally.

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 forced 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

GardaWorld has clear policies on all these issues as part of ensuring the highest standards of welfare are provided for personnel whether in-house staff or contractors. GardaWorld prides itself on being a respected employer of choice and achieves this by providing competitive remuneration, the best available equipment taking account of the operating and other risks, safe and secure accommodation and life support relevant to the operating environment. Human Rights Risk Management is clearly articulated in the GardaWorld Code and our compliance is assessed in our audits.

GardaWorld fulfils its responsibility for promoting equal opportunities and combating discrimination, seeking to ensure the full integration of each employee in his or her working environment regardless of ethnic or social origin, race, gender, religion, nationality, sexual orientation or other distinguishing characteristics.

Our commitment to the UNGC's principles on Labour is expressed in the GardaWorld Code which states:

Working Standards

- Good working standards are crucial in the development of GardaWorld and the potential of its personnel. Maintenance of appropriate remuneration levels reduces the risks of staff turnover and through continuity of quality ensures a high level of efficiency.
- GardaWorld is committed to ensuring the best working conditions that the area of operation will permit.
- In accordance with this principle, the level of remuneration is designed to ensure that quality work is appropriately remunerated and encourages loyalty and continuity.

- There are many different occupational hazards associated with the nature of the work engaged in by GardaWorld. Appropriate medical support including psychological assessment is provided to ensure the maximum possible attention in the event of serious incidents and subsequent injuries to personnel.
- In line with these procedures GardaWorld follows best practice by ensuring suitable insurance is always in place to cover medical issues, assets and business risk.

Equal Opportunities

- GardaWorld recognises its responsibility for promoting equal opportunities and combating discrimination.
- It seeks to ensure the full integration of all personnel in his or her working environment, regardless of his or her ethnic or social origin, colour, gender, religion, nationality, sexual orientation or other distinguishing characteristics.
- It seeks to ensure that its clients also recognise respect for these values in the working conditions made available to all personnel.

Systems and Monitoring

GardaWorld has implemented practices that prevent People Trafficking activities; such practices include performing our own recruitment and where this is not possible, undertaking due diligence on the recruitment companies we use. This ensures that any person recruited is not being coerced, tricked, blackmailed or otherwise pressurised into accepting employment or conditions that would fail under the definitions of People Trafficking or Forced Labour. All personnel receive training to ensure awareness of the issue and a clear understanding of the applicable regulations. In addition, we have minimum age standards for our personnel which ensure that there can be no question of exploiting child labour: for example GardaWorld exceeds the ILO standards prohibiting hazardous work for all under 21s: our minimum age for personnel carrying arms or otherwise engaged in potentially hazardous work is 23.

One of GardaWorld's core values is Respect. At GardaWorld all personnel are committed to treating each other with dignity and respect regardless of background or level and understand that each employee has a valuable contribution to make to the overall success of the company. These values are embedded into the culture of the Company alongside our other core values – Trust, Integrity, and Vigilance.

GardaWorld has a Grievance Process which clearly outlines the procedure that personnel can take to ensure they can resolve any complaints or grievances relating to their employment. Instances of grievances are monitored by the legal department and at the highest level by the Oversight Board.

GardaWorld is committed to identifying training and development needs of employees as well as monitoring and reviewing training and development at individual and organisational levels. All employees have the opportunity to discuss and agree with their line manager any gaps in skills and/or performance against objectives. Monitoring that these discussions have taken place is part of the Company's performance pay regime.

Measureable Achievements since last COP

We have delivered on our plans in our 2015 Communication on Progress and have implemented other improvements as part of our development of the company's Business Management System. Company examples are:

- Implementation of project level training on H&S and Human Rights has been rolled out to all regions and accredited training centre established for our training in the South of Iraq. This includes continual upskilling of our locally hired workforce who are qualified trainers. This training is offered to and delivered to clients when requested.
- We have reviewed all of our policies and procedures within our Business Management System following the merging of Aegis and GardaWorld to ensure that best practices and previous lessons identified were incorporated into our operating procedures.
- Alignment of best practices used in due diligence procedures for dealing with and managing our sub-contractors.
- Alignment of all business areas to the Business Management System and specifically the implementation of our BS OHSAS 18001 certified HSE management system across all elements of our business.
- Measures that allow representative groups of workers to have their say are ongoing with the implementation of monthly toolbox talks that include a specific requirement on consultation with the workforce.
- The Oversight Board continues to receive regular reports on grievances/complaints and monitors that lessons have been learnt and applied generally across the organisation's activities in order to ensure a culturally respectful environment.
- Employment practices have been reviewed during the company's strategic Human Rights Impact Assessment (HRIA) review and project level HRIAs.

Plans for 2016/17

- Carry out our next annual review of our policies and procedures throughout 2016 to ensure that lessons are identified and continual improvement opportunities exploited. We will feed the results into our Business Management System as part of each and every Oversight Board.
- Although we are confident in our preventative measures against ensuring child labour we will review our due diligence processes and assessment of sub-contractors and suppliers to incorporate a procedure for the remediation process to be instigated in the event of any child labour being discovered within our supply chain.

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

Within the scope of our business activities, GardaWorld aims to promote respect and protection for the environment both on a local and global level. GardaWorld appreciates the necessity of a sustainable environment in continuing sustainable business activities. Our commitment to the UNGC's principles on the Environment is expressed in our Environmental Policy (part of our HSE Policy) which states as follows:

Environmental Policy: It is GardaWorld policy to conduct its business throughout the world in a manner that protects and sustains the environment. To this end, the company is committed to the following:

- Incorporating environmental considerations into business decisions, including planning and design activities.
- Assessing environmental aspects and impacts of products, processes, and operations.
- Encouraging employees to adopt good housekeeping measures to save energy, use public transport and non-paper based communications where possible, and recycle paper and other office waste responsibly.
- Assure compliance with both the spirit and intent of local and national laws and regulations. In countries where laws and regulations do not exist or are inadequate, appropriate standards will be developed.
- Reporting environmental results to all stakeholders.
- Striving to make a positive environmental contribution to the communities where we operate.

Systems and Monitoring

As part of the GardaWorld Business Management Systems that is externally certified to ISO 14001, environmental requirements and procedures are implemented across all operations.

GardaWorld Project Managers are fully trained in environmental aspect and impact assessments, including environmental impact mitigation. Environmental emergency contingencies are fully planned and rehearsed with both staff and sub-contractors at operational locations.

In 2016 GardaWorld will spend nearly \$100,000 on sustainable projects that improve both the environment and social welfare in the areas in which we operate.

All operational locations as part of their HSE Plan generate a waste management plan that emphasises reduction at source and recycle or reuse prior to any waste treatment requirements and the setting of objectives to improve environmental performance based on their aspects and impacts assessment.

GardaWorld adopts a prudent use of natural resources where possible and has followed procedures to reduce waste and energy use. Initiatives include a default system to double-sided printing, the use of paper from sustainable forests, lighting systems that switch off office lighting at the end of the working day and the tracking of vehicle mileage to reduce our environmental impacts.

In the UK, GardaWorld promotes the 'cycle scheme' which allows staff to purchase a bicycle 'tax free' to use for commuting purposes.

Measureable Achievements since last COP

The plans set out in our 2015 Communication on Progress have been implemented including the following company examples:

- Alignment of all business areas to the Business Management System and specifically the implementation of our ISO 14001 certified HSE management system across all elements of our business.
- The completion of an Energy Assessment Report (Energy Saving Opportunity Scheme) on our London office in December 2015 in which we identify energy efficiencies. The relocation of our Dubai HQ office from two separate offices into one bespoke space with an increase in the use of natural daylight and efficient use of space in order to reduce energy usage.
- The implementation of recycling bins in our Dubai office to reduce waste levels produced from the office environment.

Plans for 2016/17

- Development of and certification of our Business Management System to meet the new ISO 14001:2015 standard including the development of our environmental aspects and impacts assessments to consider the lifecycle of services and activities involved with our day to day business.
- Review and replacement of our printers used in the Dubai Head Office for more energy efficient models.
- Setting and monitoring of targets in relation to the carbon emissions from flights in relation to our operational personnel in order to promote the use of environmentally friendly technology as a replacement to air travel for non-essential business requirements.

ANTI-CORRUPTION

Principle 10: Business should work against corruption in all its forms, including extortion and bribery.

Assessment, Policy and Goals

GardaWorld is committed to the very highest of ethical standards in relation to business integrity. In the GardaWorld Code we extensively and comprehensively demonstrate that we have a zero tolerance approach to corruption, including extortion and bribery.

All GardaWorld employees, contractors, or suppliers are, in one form or another, open to audit for compliance with this Code. The spirit of this code applies not only to all employees of GardaWorld but also to any advisor, contractor, supplier or agent engaged by GardaWorld.

Detailed within the GardaWorld Code are policies relating to our “Ethical Business Practices” including anti-trust/anti-competitive behaviour and independent pricing, anti-boycott, international business, conflicts of interest and potential conflicts, all personnel, potential suppliers, current suppliers and subcontractors are required to certify that they have not and will not engage in bribery and corruption.

Systems and Monitoring

Training is given to all staff regarding the GardaWorld Code to ensure that all employees are cognisant of all relevant policies. This is also emphasised in our induction training.

Monitoring is carried out through regular internal audit reviews of financial systems; cash-book and cash-flow checks in operational areas; and monitoring trends and statistics at the Oversight Board.

Measureable Achievements since last COP

The company has continued to pay significant attention to this important aspect of our Code of Business Conduct and has delivered on its plans for 2015/16. Company examples are:

- Alignment of all areas of the business to the financial procedures and payroll requirements detailed within our Business Management System.
- The reduction in the use of cash where practicable within our business.
- Implementation of a Gift and Hospitality Declaration process throughout the business.
- All personnel have been trained in and signed to the Code.
- Personnel have undertaken anti-bribery and corruption training.
- The Oversight Board continues to monitor any risks and gaps in our processes and procedures and receives reports on gifts and hospitality and messages have been cascaded via the Management Board on the importance of transparency.

Plans for 2016-17

- Revise procedures relating to anti-corruption to ensure adequacy and best practices are applied.
- Continue to look to reduce the use of cash where possible thereby mitigating potential risks.
- Review gift and hospitality register procedures and ensure that these clearly state guidance limits in relation to all entities that GardaWorld may interact with, for example, charitable donation limits.

SUMMARY

GardaWorld has pledged its commitment to conform with and promote the Global Compact and its principles. Each principle, as demonstrated, has been integrated within GardaWorld's Business Management System, policies, culture and day-to-day processes including monitoring and continuous improvement.

GardaWorld has continued to play a leading role in the introduction of arrangements internationally to drive up standards in the private security industry including in relation to human rights, labour and anti-corruption. Through this broader action and advocacy in support of UN goals and issues GardaWorld meets some of the requirements of Global Compact Advanced.

GardaWorld has continued to test its own policies and procedures against those set out in ISO 18788 and PSC.1, standards that build on the International Code of Conduct and challenges private security companies to achieve high standards against operational delivery and in particular to

assess human rights, labour, anti-corruption, environmental and other ethical policies and procedures. The requirements of ISO 18788 and PSC.1 are unique in that the independent auditors not only assess policies and protocols at a company's head office but also the delivery of services on the ground which supports clients. GardaWorld is therefore very proud to have been the first company certified to ISO 18788 and PSC.1 standard in addition to our certification to ISO 9001, ISO 14001, ISO 22301 and BS OHSAS 18001.

For the future, GardaWorld will ensure that it meets its assurance to the Global Compact by continuing to publish an annual Communication on Progress, setting out the progress that we are making in implementing the ten principles into our overall functions and performance.