

# UN GLOBAL COMPACT

COMMUNICATION ON PROGRESS - 2018

FocusPoint International, Incorporated.



FOCUSPOINT®

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## Statement of Continued Support

FocusPoint International and our wholly-owned subsidiary, FocusPoint South Africa (Pty) Ltd., (hereinafter referred to collectively as “FocusPoint”) is honored to reaffirm our support and commitment to the ten principles of the United Nations Global Compact (UNGC).

As a U.S. based independent global risk consultancy firm engaged in supporting client interests on six continents, we are committed to managing their risks, either on land or at sea. The primary aim at FocusPoint is to enable the execution of our client’s business strategy across the enterprise, regardless of location, by ensuring our clients are adequately protected while simultaneously contributing to their capacity to identify and control risk and minimize loss at both a strategic and tactical level.

We recognize that a key requirement for participation in the Global Compact is the annual submission of a Communication on Progress (COP) that describes our company’s performance, operational agenda, and best practices to fulfill the ten principles of the UNGC, to include human rights, labor, environment and anti-corruption

The information provided in this communication progress report defines our continued commitment to accountability for our stakeholders and the public, while remaining a good corporate entity by embedding integrity and the UNGC principles in FocusPoint’s day-to-day operations, strategy, and culture.

Sincerely yours,



Mr. Greg Pearson  
President & CEO  
FocusPoint International, Inc.

## About FocusPoint

FocusPoint International is dedicated to doing everything in our power to minimize risks and maximize opportunity for our clients. This is done by providing visibility of risks and partnering with our clients to understand their business, their people, their culture and the environments in which they operate. We develop and implement mitigation services, strategies, processes and protocols specific to each client's needs.

FocusPoint has operational capabilities in over 100 countries with active engagements on 6 different continents with proven experience in over 90 countries. The core of our DNA is to protect physical and intellectual client assets and their personnel through a focused suite of services. These services are delivered through a global team of experienced security, investigative and crisis response personnel supported by state-of-the-art technologies.

FocusPoint personnel adhere to the highest professional and ethical standards and come from diverse backgrounds in business, legal, finance, audit, law enforcement, elite military and intelligence arenas. The executive team at FocusPoint is comprised of industry experts with over 70 years of combined experience in the public and private sectors.

Our advisory board consists of industry leaders in business, finance, leadership, stability operations, maritime security and crisis management. The board works closely with the executive team to provide counsel, shape the company's direction, ensure quality and maintain a critical eye on execution.

As an ISO 9001 certified company, FocusPoint places a high priority on meeting the highest standards in good business practices and adhering to our obligations to deliver excellence to our customers and business associates globally.

## FocusPoint Code of Conduct

To assure orderly operations and provide the best possible work environment, FocusPoint expects employees and our vendors to follow the rules of conduct that will protect the interests and safety of all employees, the company, and our clients. This Code of Business Conduct covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles of professional conduct for all personnel engaged with FocusPoint. All employees, agents, and vendors must conduct themselves accordingly and seek to avoid even the appearance of improper behavior.

This Code applies to all FocusPoint representatives and company operations and it is in force within all company assigned workplace environments and on all projects.

If a law conflicts with a policy in this Code, all personnel must comply with the law. Also, as a global company, if local custom or policy conflicts with this Code, compliance with the Code is mandatory. Our employees, vendors, and suppliers are responsible for understanding the legal and policy requirements that apply to their endeavors and must report any suspected violations of law, this Code, or FocusPoint policy to company management.

Those who violate the standards in this Code will be subject to disciplinary action, including possible dismissal or removal from a project or assignment. Furthermore, violations of this Code may also be violations of the law and may result in civil or criminal penalties. If an employee, vendor or supplier finds themselves in a situation they believe may violate or lead to a violation of this Code, FocusPoint management must be notified immediately.

The basic principles discussed in this Code are subject to any FocusPoint policies covering the same issues. The term “personnel”, “employee” or “agents” in this Code refers to any individual, vendor or consultant retained by FocusPoint to provide services.

1. FocusPoint assigned personnel will make every reasonable effort to protect life and property as well as prevent and reduce crimes committed against client businesses or other organizations and institutions to which they are assigned.
2. Our personnel will demonstrate the qualities of honesty, self-discipline and personal integrity in the performance of all assigned duties.
3. Our personnel will demonstrate courage in emergency situations and incidents of physical danger to themselves and others.
4. Our personnel will demonstrate loyalty to their assigned job, FocusPoint, and its clients. All decisions must be based on the best interests of the company.
5. Our personnel will respect the privacy of others by treating all information received while working as strictly confidential, except where disclosure is required by law, FocusPoint policy and procedures or the policies of FocusPoint clients.
6. Our personnel will always conduct themselves in a professional manner by using common courtesy and professional tact.
7. Our personnel will project a positive, respectful and helpful impression when dealing with clients and the public at large.

8. The diversity of the company's employees is a tremendous asset. FocusPoint is firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment.

Our personnel will treat all persons equally and without discrimination based on race, color, religion, sex, national origin or any other protected class. All employees are encouraged to review the appropriate company policy or contact our management team for further information or clarification of this policy if necessary.

9. Our personnel will present a neat and well-groomed appearance at all times.
10. Our personnel are expected to perform their company related work assignments in a safe manner, free of the influences of alcohol, illegal drugs or controlled substances. The use of illegal drugs in the workplace will not be tolerated. Employees will comply with the Company Drug-Free Workplace Policy at all times.
11. Our personnel will not leave their assigned posts unless properly relieved by another FocusPoint agent, a supervisor, authorized client representative, or as may be required in the performance of their duties and/or as specified in the project Assignment Operations Briefing.
12. Our personnel will use FocusPoint's or Client furnished telephones and internet/email systems as may be authorized for business use only. The receiving or making of personal, non-emergency calls while on duty is never authorized.
13. Our personnel are prohibited from accepting tips or gratuities from anyone for any purpose whatsoever. The U.S. Foreign Corrupt Practices Act (FCPA) prohibits giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates to obtain or retain business. Company personnel or agents of FocusPoint will never give or authorize directly or indirectly any illegal payments to government officials of any country. While the FCPA does, in certain limited circumstances, allow nominal "facilitating payments" to be made, any such payment must be discussed with FocusPoint executive management before any such payment can be made.

Additionally, the U.S. and other government entities have a number of laws and regulations regarding business gratuities, which may be accepted by their personnel. The promise, offer or delivery to an official or employee of the U.S. (or other government entity) as a gift, favor or other gratuity in violation of these rules would not only violate FocusPoint policy, but it is also a civil or criminal offense. State and local governments often have similar rules.

14. All personnel should protect FocusPoint assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the company's profitability. All company assets are to be used for legitimate company purposes. Any suspected incident of fraud or theft should be immediately reported to management for investigation.

Company assets should not be used for non-company business. The obligation of our personnel to protect FocusPoint assets includes the company's proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business, marketing and operation plans, project briefs and threat assessments, deliverables, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information is a violation of FocusPoint policy and could also be illegal, resulting in civil or criminal penalties.

15. All company personnel will refrain from using unnecessary force in the performance of their duties. Under no circumstances should a suspected party be threatened, manhandled, or coerced. The use of physical force may only be used in accordance with FocusPoint's Use of Force policy.
16. Our personnel will not knowingly issue false information or make false or misleading statements concerning matters pertaining to FocusPoint, fellow employees of FocusPoint or its clients. FocusPoint personnel who do so will be subject to immediate termination.
17. Our personnel will not remove material of any type, regardless of the value, or any equipment from the premises to which they are assigned without proper authorization.
18. Our personnel are encouraged to talk to FocusPoint supervisors, managers or other appropriate personnel about observed behavior, which they believe may be illegal or a violation of this Code of Conduct or company policy or when in doubt about the best course of action in a situation. It is the policy of FocusPoint not to allow retaliation for reports made in good faith by employees of misconduct by others. Our personnel are expected to cooperate in internal investigations of misconduct.
19. FocusPoint is committed to leading the industry in minimizing the impact of its activities on the environment. It is the responsibility of our executive team, supervisors, and all personnel to ensure this commitment is consistently top of mind.

The key initiatives of our strategy to achieve this are:

- Minimize waste by evaluating operations and ensuring they are as efficient as possible.
- Minimize toxic emissions through the selection and use of fleet vehicles and the source of company power requirements.
- Actively promote recycling, both internally and among customers, vendors and suppliers.
- Meet or exceed the requirement of all environmental laws and regulations.
- Ensure every employee understands and is responsible and accountable for incorporating environmental quality considerations in daily business activities.
- Offset the greenhouse gas emissions generated by our activities through accredited programs.

## ISO Certification 9001

FocusPoint is dedicated to meeting the highest standards in sound business practices and adhering to our obligations to deliver service excellence to our customers globally. This is accomplished through strict management oversight to provide services for our customers in a transparent and ethical manner. Meeting ISO 9001 standards is one more way FocusPoint continues to fulfill those commitments.

The International Organization for Standardization (ISO) is an independent, non-governmental international organization comprised more than one million organizations in over 160 countries. Through its members, it brings together experts to share knowledge and develop voluntary, consensus-based, market relevant, international standards that support innovation and provide solutions to global challenges.

ISO 9001 is the international standard that specifies requirements for a quality management system (QMS). Organizations use the standard to demonstrate the ability to consistently provide products and services that meet customer, regulatory and ethical business requirements.

ISO 9001 is based on the “plan-do-check-act” methodology and provides a process-oriented approach to documenting and reviewing the structure, responsibilities, and procedures required to achieve effective quality management in an organization. Specific sections of the standard contain information on topics such as:

- Requirements for a quality management system, including documentation of a quality manual, document control and determining process interactions.
- Responsibilities of management.
- Management of resources, including human resources and an organization’s work environment.
- Service delivery realization, including the steps from project concept to delivery.
- Measurement, analysis, and improvement of the QMS through activities like internal audits and corrective and preventative action.

Our work and administration processes are carried out in conjunction with established procedures to ensure consistent achievement of quality for service, in compliance with the ISO standard. This is achieved through regular controls, audits and stakeholder reviews of work processes, and procedures with corrective and preventative actions being implemented where necessary.

## FocusPoint Evaluation Processes

FocusPoint is a “hub/spoke” organization divided into five regions. Our regions are identified as Latin America (“LAM”); Europe (“EU”); the Middle East and Africa (“MEA”); Asia-Pacific (“APAC”); and the Domestic United States and Canada (“DUSC”). Each region is managed by a seasoned industry professional and a team of local assets spread throughout the region with deep cultural knowledge, strong contacts, and operational wherewithal.

We continually seek to improve the effectiveness, quality of our services and accountability through stakeholder feedback, evaluations, audits, analysis of data, corrective and preventative actions and management review. An essential requirement of the continuing maintenance and development of the organization’s objectives and its commitment to the ten principles of the United Nations Global Compact is the establishment and effective implementation of a quality system under ISO 9001 guidelines.

Our company has established measurable quality objectives which form an integral part in achieving and applying our quality service policy. Personnel at all levels within the organization who carry out duties in the delivery of client services and compliance with company requirements are issued clear instructions related to meeting these quality objectives.

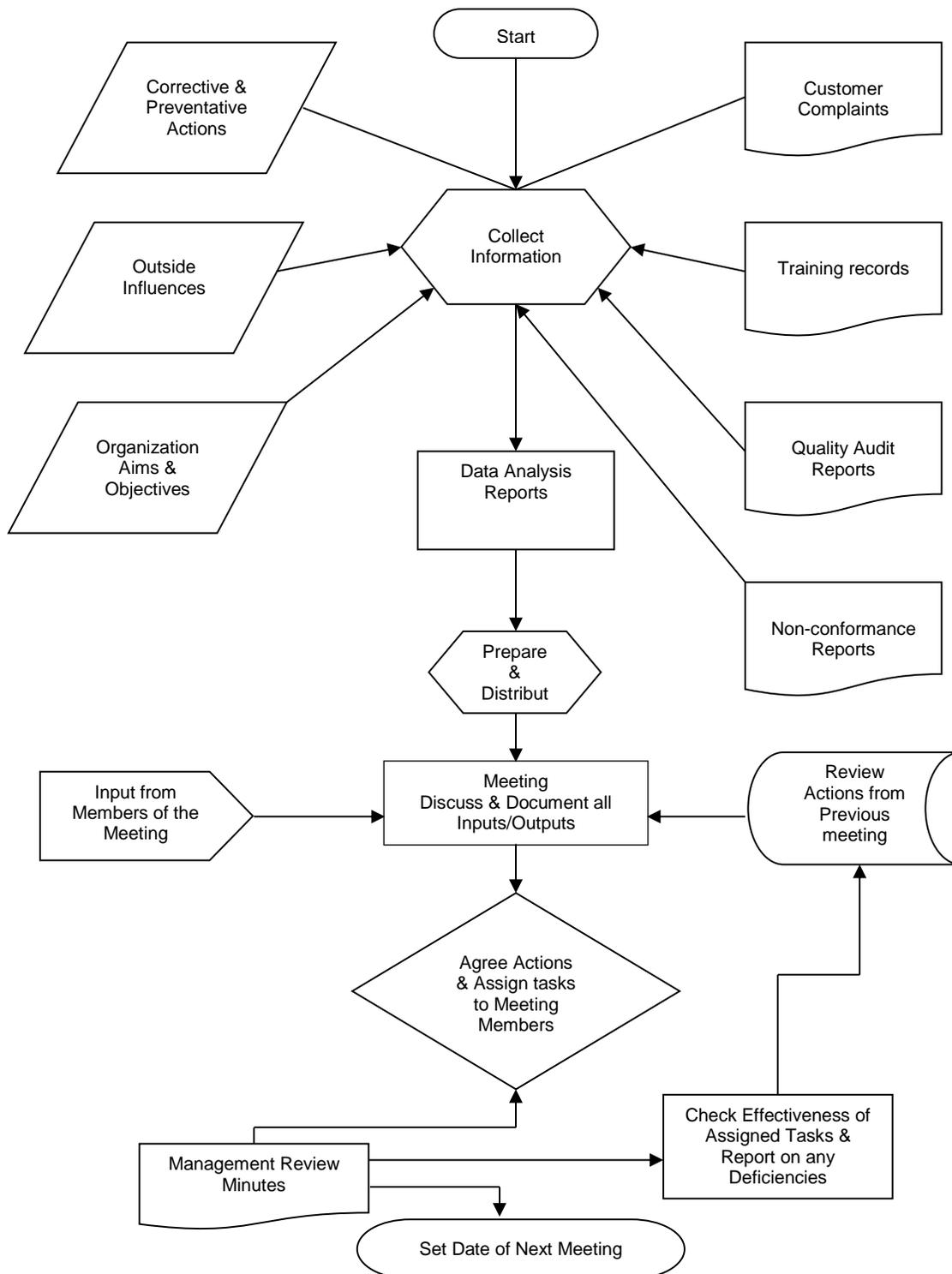
Our service quality and operational objectives are measured through monitoring and measurement processes. Service delivery information and data is collected and analyzed during periodic quality review management meetings. Changes in procedures, operational protocols, and service delivery are identified for improvement. The specific review areas are:

- Customer / stakeholder feedback.
- Meeting customer needs.
- Maintaining strict governmental regulatory compliance for geographical regions served.
- Ensuring environmental sustainability through compliance with legal requirements and policies.
- Evaluating service delivery characteristics and need for corrective action.
  - Effectiveness – extent to which services are provided and results are achieved.
  - Efficiency – the relationship between operation results achieved and resources used.
  - Management – the coordination of activities and supervisory oversight.
- Vendor and contractor performance reviews.

The FocusPoint management review process identifies where changes can be made to make realistic and effective improvements to company performance objectives to enhance customer satisfaction and ensure we are meeting our responsibilities related to human rights, the environment, and labor issues. The complete review process is conducted at planned intervals each year to ensure its continuing suitability, adequacy, and effectiveness. An independent auditor examines and evaluates our compliance during annual re-certification audits.

The management review process diagram is detailed on the following page.

## Management Review Process



## Ten Global Compact Principals

### Meeting Global Compact Principals

#### **1. BUSINESSES SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS.**

FocusPoint's commitment to upholding human rights in their many forms is embodied in our Code of Conduct, which includes the corporate, legal and ethical compliance principles that apply to every company employee and vendor.

The diversity of the Company's employees and those we serve is a tremendous asset. FocusPoint is firmly committed to providing equal opportunity in all aspects of business and will not tolerate any illegal discrimination or harassment. Our employees will treat all persons equally, without discrimination based on race, color, religion, sex, national origin, political or other opinion, national or social origin, property, birth or any other status. Furthermore, no distinction shall be made based on the political, jurisdictional or international status of the country or territory to which a person belongs, whether it be independent, trust, non-self-governing or under any other limitation of sovereignty.

Additionally, our Code of Conduct incorporates guidelines for service delivery to include covering the support of and respect for human rights by our vendors and suppliers.

As a part of our ISO 9001 quality management system certification, we measure perceptions of human rights treatment in our customer service surveys and personnel reviews. These surveys are evaluated by the executive management team during quality management review meetings as well as ISO certification audits each year.

#### **2. BUSINESSES SHOULD MAKE SURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES.**

We ensure that our company and personnel comply with this principle throughout our business line. This is accomplished through strict adherence to laws, rules, and regulations as prescribed in our Code of Conduct. We also assure compliance with this principle by being transparent to the outside world in what we do and how we do it.

For example, we require all personnel to review and sign-off on this aspect of our code of conduct during the employment on-boarding process. We also motivate our supervisors and trainers to encourage continuous awareness and oversight to ensure human rights are a significant part of FocusPoint values.

No incidents of human rights abuses have been reported in the reporting period.

#### **3. BUSINESSES SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING.**

Employee involvement related to this principal is guaranteed through our management team, line supervisors, trainers and contract vendors.

During performance reviews, employees may discuss any concerns on this subject with supervisors. Furthermore, FocusPoint management has an open-door policy with employees to discuss concerns.

No violations related to the freedom of association or recognition of the right to collective bargaining have been reported in the reporting period.

#### **4. BUSINESSES SHOULD UPHOLD THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOR.**

FocusPoint's strict compliance with national and international laws and rules prohibit these forms of labor in our business.

No violations of our rules preventing compulsory labor have been reported during the reporting period.

#### **5. BUSINESSES SHOULD UPHOLD THE EFFECTIVE ABOLITION OF CHILD LABOR.**

FocusPoint's compliance with national and international laws and rules prohibit child labor in any global region we conduct business. Every FocusPoint vendor or service supplier is carefully screened and monitored to ensure they apply the same standards of ethical practice as FocusPoint.

No violations of our strict rules on child labor have been reported in the reporting period.

#### **6. BUSINESSES SHOULD UPHOLD THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION.**

FocusPoint's Code of Conduct states that all employees and potential employees are treated equally, regardless of their nationality, race, religion, age, sex, sexual orientation, belief or due to disability. Furthermore, harassment will not be tolerated. All incidents of discrimination or disrespect can be reported to our employees' supervisors, human resources representatives or regional managers.

No incidents have been reported in the reporting period.

#### **7. BUSINESSES SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES.**

Although FocusPoint is a "service/consulting" business with no manufacturing or processing facilities globally, we take environmental challenges seriously. We continually measure key indicators to evaluate the consumption of energy and other resources in the delivery of our services. We place a high value on the conservative use of energy and any other relevant resources, practice renewable and recycled product usage methods and continually strive to make improvements in this area.

#### **8. BUSINESSES SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY.**

Since the company was formed, FocusPoint has acknowledged its role in promoting environmental responsibility.

As a result, we consistently review practices related to recycling, waste disposal, transportation and facilities. Our Managers in each country are committed and held responsible for supporting those efforts necessary to mitigate environmental footprints that may be related to our service activities.

Our goal is to reduce our energy consumption by efficient use and careful planning in every phase of our business. Also, we minimize waste and recycle materials whenever possible. Furthermore, we establish travel plans that encourage staff to use fuel efficient alternatives.

#### **9. BUSINESSES SHOULD ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES.**

As a part of our ongoing growth process, FocusPoint takes environmentally friendly technologies into consideration to reduce energy use and costs. Our company review processes and planning ensure that investments in all technical, existing and new development specifications for buildings, equipment and vehicles include close consideration for environmental and sustainability factors.

#### **10. BUSINESSES SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY.**

FocusPoint's Code of Conduct states that bribery and corruption are never allowed. All FocusPoint employees are trained in this topic and are firmly instructed not to accept gifts as the implication of bribes creates an unfavorable obligation for the receiving party.

No incidents of corruption and bribery were reported in the reporting period.

## FocusPoint Corporate Responsibility Statement

As a responsible company operating in a global environment, FocusPoint strives to ensure that our services are conducted in an ethical and socially responsible manner. We conduct our business with integrity for our customers, employees, stakeholders and all of those that we interact with.

Our company remains dedicated to our affiliation to the United Nations Global Compact and its principles on human rights, anti-corruption, labor conditions and the environment as an important part of our ethical and socially responsible fabric. This document represents our annual communication on our continued commitment and the progress that FocusPoint is making in all areas of corporate responsibility.

The following is a summary of our proposed corporate responsibility initiatives involving our relationships with stakeholders during the next year.

### FocusPoint Clients

Our company will continue to be transparent and open in the course of conducting business and demonstrate our core responsibilities and the principles of the United Nations Global Compact to all our clients globally. Additionally, we will endeavor to encourage responsible business practices with those with whom we interact. We will measure our business practices impact and progress through performance surveys and client interviews as a part of our annual evaluation processes.

### FocusPoint Vendors

Our company will continue to utilize the services of those vendors who apply the same standards of integrity, ethical practices, diversity and environmental responsibility that we practice. We expect our vendors and suppliers to comply fully with all applicable laws and regulations in conducting their business.

As a part of our vendor due-diligence process, vendors will be asked to present their own social compliance standards and warrant they comply with all applicable laws, regulations and other legal obligations including, but not limited to; employment laws, human rights, environmental responsibility and prohibitions against bribery and corruption.

### FocusPoint Employees

FocusPoint management constantly strives to be a highly regarded company to work for in the labor market. As a result, of our proven track record of integrity, ethics, business practices and care for our personnel, FocusPoint is considered to be a trusted employer of choice in our industry space.

We value our employees and feel that the men and women who work for FocusPoint will always be our most important asset. Consistent with valuing our personnel, we reward employees for improving their skills and knowledge base. We comply with all applicable wage and hour laws and regulations including wage, overtime and maximum hours worked.

Our employees are encouraged to play an active part in all aspects of our business and recommend ways to improve our services or processes. Our open-door policy for managers and executives and frequent one-on-one meetings promote opportunities for discussion and feedback and communication across all levels of our organization. We will continue to build our organization from within based on performance and commitment to duty of service.

### FocusPoint – Our Communities and the Environment

FocusPoint is fully aware of the responsibility it has towards the communities in which it operates. We firmly believe that our company has a long-standing commitment to being good citizens and neighbors in all places we do business. As a company, we will continue to inspire our people to involve themselves in initiatives that benefit those communities. We will encourage all our operational centers, wherever they are based, to be actively involved in their local community.

Every business should be conscious of the impact they have on the environment. While our business is related to the area of consulting services and security operations for our clientele, FocusPoint will continue to keep a mindset on mitigating environmental issues and promoting environmental friendly ways to deliver our services wherever we operate.

### Conclusion

Though our establishment of internal process and programs that are measured annually through the ISO 9001 certification audits, FocusPoint will remain dedicated to fulfilling its commitment and responsibility for the principals defined under the ten principals of the U.N Global Compact into the future.