



Achilles Group Limited

United Nations Global Compact Communication on Progress – 1 June 2018

Statement of continued support by Jay Katzen, Chief Executive Officer

I am pleased to confirm and renew the ongoing support and commitment of Achilles to the UN Global Compact initiative. Achilles has supported the UN Global Compact for 13 years, becoming a participant in 2005, and continues to align strategy and business operations with the 10 principles for human rights, labour standards, environment and anti-corruption.

Achilles is a global supply chain risk management company, providing supplier information services worldwide to supply chain intensive industries, helping them to improve sustainability standards and business performance. We collect, validate and maintain essential information so that our customers can build a picture of the risks present within their supply chain and implement measures to protect their business, people, environment and profit.

We are conscious of the ongoing role that Achilles plays in encouraging and assisting our customers to adopt the UN Global compact principles within their own business practices and it is a continuing objective of Achilles to raise awareness, promote and advance these principles within our sphere of influence, as we develop the services that we offer.

A handwritten signature in black ink, appearing to read 'Jay Katzen', with a long horizontal stroke extending to the right.

Jay Katzen
CEO

Description of actions and outcomes:

Human rights

***Principle 1 & 2:** Businesses should support and respect the protection of internationally proclaimed human rights; and make sure that they are not complicit in human rights abuses.*

Achilles is a committed ethical and equal opportunities employer, ensuring human rights are upheld and that we are not complicit in any human rights abuses. We have adopted and revised, where necessary, several global company policies including equal opportunities, health & safety, flexible working, compassionate leave, maternity & parental leave and grievance, together with the systems and documentation that support the implementation of these policies. Company policies are initially communicated to employees as part of an induction process and after that policies are accessible on the Achilles Group intranet, with communications to employees when policies are updated. We also encourage all our stakeholders to report in good faith any issues or concerns about potential ethics, human rights, legal or regulatory violations, including improper or unethical business practices.

Through our business relationships, Achilles can help customers to monitor issues relating to human rights throughout their own supply chains and therefore engage in responsible procurement practices. Our audit services include human rights as standard and in addition to this, Achilles developed a Conflict Minerals Programme in response to a growing need for companies to source more responsibly and prevent Conflict Minerals (certain minerals that are mined in conditions of armed conflict and linked with human rights abuses in the Democratic Republic of Congo and other conflict zones) from entering global markets.

Labour Standards

***Principles 3 - 6:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced and compulsory labour; the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation.*

Achilles are committed to ensuring that there is no modern slavery or human trafficking in our supply chain or in any part of our business. Our Anti-Slavery and Human Trafficking Policy reflects this commitment to act ethically and with integrity by adopting effective systems and controls to ensure

that any forms of forced and compulsory labour are not taking place. We support the abolition of child labour and ensure that we do not employ child workers by requiring verification of age in the recruitment process across all our operating business units.

To identify and mitigate any risks in our supply chain we endeavour to have detailed knowledge of our suppliers and their operations and practices. To ensure that our contractors comply with our values we have in place a rigorous supply chain compliance programme. Within Achilles Audit Services this includes a requirement for our audit service suppliers to operate in line with the Achilles Conflict of Interest, Unethical Incentives and Professional Conduct statements, underpinned by periodic audit to validate compliance with these standards.

The nature of our business means that we can work closely with customers to help them eliminate these forms of abuse from their supply chains. In 2017 Achilles expanded the existing audit portfolio with the introduction of a Labour Practices Audit, an audit that gathers insight from employees and Human Resources related policies and processes to provide an additional level of due diligence in this area and improve supplier visibility. In October 2017 Achilles hosted over 250 buyers and suppliers from the utilities, rail and construction industries at the Achilles Live 2017 conference, where Modern Slavery was on the agenda. Achilles Live promoted the benefits of a Labour Practices Audit, giving businesses the opportunity to scrutinise three specific aspects of this complex area of legislation: worker engagement, personnel file compliance and management systems compliance. Keynote speaker Klára Skrivánková of Anti-Slavery International addressed delegates and highlighted some key actions that businesses can take that are straightforward, meaningful and easily actionable, to help eliminate modern slavery in their supply chain. At the conference, Achilles CEO Jay Katzen stated “We are dedicated to the eradication of modern slavery by working closely with buyers and suppliers. Collectively we need to strive for reform on modern slavery, it is our moral and ethical responsibility to work together to remove the issue altogether. It should not be an option, it should be a mandate, as it is truly one of the most significant human rights issues of our time”.

Achilles recognises the right to freedom of association and collective bargaining by working constructively with trades unions wherever they represent our employees and complying with local legislation. An employee’s rights, responsibilities, compensation and benefits are clearly stated in a contract of employment. Employee representatives are consulted regularly on a range of matters affecting employees and considerable value is placed on employee communication and engagement with a culture where feedback is embraced. Employees are regularly kept informed via companywide

updates, bulletins and newsletters, regional town hall briefings and quarterly global town hall briefings lead by the CEO. Employee interaction at all levels is visible on the Achilles social networking Yammer site.

Achilles is a global organisation operating in 20 countries with employees representing a diverse range of nationalities and cultures. We are committed to treating all employees equally, regardless of their sex, race, sexual orientation, age, marital status, ethnic origin, disability, religion, belief or any other grounds of discrimination prohibited by legislation. Our Equal Opportunities Policy was revised and updated in April 2018 and applies to the recruitment and selection process, training, conditions of work, and salary and remuneration. An online disability awareness training course was also delivered to staff covering the legal provisions associated with disability and techniques for ensuring that disabled people are not discriminated against in the workplace. All managers and employees have a responsibility to ensure that the Equal Opportunities Policy is adhered to and any case of alleged discrimination will be reviewed in line with the procedure outlined in the Achilles Grievance Policy. We monitor and review employee engagement scores, any issues that are raised under our Whistleblowing & Grievances policies and any security incidents. During the past year Achilles have not been subject to any investigations, legal cases or incidents involving employee discrimination.

Environment

***Principles 7 - 9:** Businesses should support a precautionary approach to environmental challenges; undertake initiatives to promote greater environmental responsibility; and encourage the development and diffusion of environmentally friendly technologies.*

As set out in our Environmental Policy Statement, Achilles commits to do all that is reasonable to conserve natural resources, minimize or reduce pollution and its impact, and the impact of others on the environment. Employees are encouraged to consider the environmental impact of their work and environmental awareness is included within the online training programme completed as part of an employee's induction process.

Achilles has an environmental impact through our work within supply chain communities to support carbon reduction. Achilles is a license partner of Enviro-Mark Solutions, offering CEMARS certification (Carbon & Energy Management and Reduction Scheme) to organisations providing them with the ability to measure and develop strategies to reduce their carbon footprint.

Anti-Corruption

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

Achilles operate a zero-tolerance approach to bribery and corruption, as reflected in our Anti-Bribery Policy. Compliance with this policy is mandatory with acknowledgement required from employees as part of their induction programme. The policy is reviewed and updated, as required, and available for employees to access on the Achilles Group intranet. Achilles is committed to conducting business in an honest and ethical manner acting professionally, fairly and with integrity in all our business dealings and relationships, implementing and enforcing effective systems to counter bribery and corruption. We comply with all laws relevant to countering bribery and corruption in the jurisdictions in which we operate including the Bribery Act 2010 in the UK. Management at all levels are responsible for ensuring those reporting to them understand and comply with the Anti-Bribery policy and any breach will be treated as a disciplinary offence.

As outlined in the Anti-Bribery Policy, the giving and acceptance of gifts and hospitality is permitted if certain requirements are met and must be approved by or declared to an employee's line manager or a member of the Executive team. A member of the Executive team must declare or seek approval from the CEO. If there is a suspected breach of this policy this should be reported in accordance with the Whistleblowing Policy and Achilles aims to encourage openness and support in relation to genuine concerns, reported in good faith.

Some of the business and financial controls that are in place to help mitigate the risk of any forms of corruption and bribery are documented in the Achilles Global Schedule of Authorisations, outlining those who have the authority to commit Achilles financially and the approvals required to complete various transactions and sign contracts and legal documents. During the past year Achilles have not been involved in any investigations, legal cases or incidents involving bribery, corruption or extortion.

In relation to our business partners, and as referred to earlier, independent third-party auditors within Achilles Audit Services must comply with our standards of ethical conduct and corporate governance as outlined in our Conflict of Interest, Unethical Incentives & Professional Conduct Statements. Employees or contractors may not offer nor accept from any source any inducements, bribes or incentives that may influence their judgement or the results of an audit or assessment. Any gifts or offers of entertainment that are presented at any time must be declared and logged in a register that will be maintained and made available to any interested party at any time.

Finally, our customer audits include sections on bribery and involve a review of documented policies and processes to ensure that suppliers are legally compliant.

For further information please contact enquiries@achilles.com or refer to our website www.achilles.com