United Nations Global Compact
Annual Communication on Progress

July 2019

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Statement of continued support by the Chief Executive Officer

This is our first annual Communication on Progress Report (COP), issued as part of our responsibilities as a signatory to the United Nations Global Compact.

We recognise that a key requirement for participation in the UN Global Compact is the annual submission of a COP that describes our company's efforts to implement the Ten Principles.

I am pleased to confirm that IrisGuard UK Ltd reaffirms its support to the Ten Principles of the United Nation Global Compact on Human Rights, Labour, Environment and Anti-Corruption. With this communication we express our intent to implement those principles.

We are committed to making the UN Global Compact and its principles part of the strategy, culture and day-to-day operations of our company and to engage in collaborative projects which advance the broader development goals of the United Nations, particularly the following Sustainable Development Goals.

IrisGuard UK Ltd supports public accountability and transparency, and therefore is committed to reporting on progress annually and will make a clear statement of this commitment to our stakeholders and the general public.

I invite you to read the following report which details the progress we have made.

Mr Imad Malhas
Founder & CEO

About IrisGuard UK Ltd

IrisGuard is a UK-based, worldwide supplier of novel end-to-end iris recognition biometric technology that authenticates identity for payments and large-scale humanitarian deployments. Taking iris recognition's long-standing respect as the most accurate, secure, reliable, fault-free and fastest method of human identification; IrisGuard has been at the pioneering end of the industry, being the first iris recognition in border control, the first on ATMs, the first in supermarkets and the first to integrate with blockchain.

Driving disruptive and state-of-the-art innovations that provide financial inclusion for vulnerable populations, IrisGuard is the only in-house designed and built solution of complete financial authentication and authorisation systems incorporating hardware, software and server processing.

With 2.5 billion people across the world without access to traditional banking services and 1 billion without identity documents, IrisGuard platforms ensure that the vulnerable, needy and impoverished can move towards financial inclusion through the simple use of their most secure biometric – their iris. The humanitarian EyeBank® project is the world's largest iris deployment, enabling hundreds of thousands of forcibly displaced Syrian refugees in Jordan, Lebanon, Iraq and Egypt to receive dignified assistance and care for their families. The ability for a refugee to feed their family with a simple blink of the eye is lifechanging and access to cash is exactly the same as someone with a bank account, no additional buttons to press, no aid queue to join.

> "Innovation is not just about creating technology. It is identifying a problem and developing a solution to address it."
>
> IMAD MALHAS, FOUNDER, IRISGUARD

Most recently, IrisGuard launched its innovative mobile iris phone, the EyePay® Phone, combining years of iris technology expertise with a smartphone that will allow us to extend our platform to secure iris recognition payments through mobile platforms in rural areas that have little or no infrastructure with the same accuracy and at a much-reduced cost.

Together we are:

"Empowering financial inclusion in the blink of an eye"

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The principles of the UN Sustainable Development Goals are an important part of the work of IrisGuard UK Ltd and resonate through our **Vision** and **Mission** and are within the **PRIDE** of our brand values.

Our Vision

is a world where digital payments and transactions are trusted, protected and secured through iris recognition, especially for the most vulnerable

Our Mission

is to provide the unbanked with dignified, secured and cost-effecive financial inclusion platforms based on our innovative iris recognition technology.

Brand Values – PRIDE

Passion   We have the energy, drive and attitude to never give up
Respect   We put human dignity, care and compassion into everything we do
Innovation   We have the courage and conviction to pioneer the future
Design   We create, originate and construct to the highest standards
Excellence   We continuously strive to go above and beyond to exceed expectations

The Ten Principles of the United Nations Global Compact

HUMAN RIGHTS PRINCIPLES

Principle 1:   Business 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

IrisGuard UK Ltd is fully committed to Universal Human Rights and has specific policies on recruitment and employment that protect the rights of women, the disabled and ethnic minorities in both applying for roles with IrisGuard and during their service. We ensure that all staff have equal opportunities within the organisation and IrisGuard does not tolerate discrimination of any kind.

Our Employee Handbook is issued to all staff and a signature obtained to confirm the employee understands the content. The Handbook contains the Code of Conduct which begins:

> We are dedicated to being a responsible employer, ensuring that company activities and the behaviour of all employees is conducted with respect and consideration for human rights, health and safety, and for the working environment of all employees. We seek to develop a workplace where honesty and ethical conduct is upheld at all times and in accordance with company policies, contracts of employment and legislation.

Implementation

Our Finance and Compliance Director ensures adherence to Human Rights policies, Risks and violations. Each of our Board members is equally committed, with a report produced for quarterly Board meeting. All policy documents are available to all for viewing.

A Whistleblowing Policy is in force to support the rights of all employees who also receive awareness raising training incorporated with annual refresher courses. Our Whistleblowing policy states:

> We are committed to conducting our business with honesty and integrity and we expect all staff to maintain high standards in accordance with our policies and procedures. However, all organisations face the risk of things going wrong from time to time, or of unknowingly harbouring illegal, unethical, bullying or harassing conduct. A culture of openness and accountability is essential in order to prevent such situations occurring or to address them when they do occur.

Measurement of outcomes

Our commitment to human rights is monitored through the referenced policies, HR procedures and quarterly Board meetings. We have no incidents, violations or legal cases pending.
Employees performance and wellbeing is documented at probation meetings, regular 1:1 meeting's and through the Annual Appraisal and Objective setting process.

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LABOUR PRINCIPLES

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

IrisGuard UK Ltd employs 30 members of staff and we take our obligations in relation to labour rights as an employer very seriously. All of our labour policies and goals are clearly defined and applied to every member of staff regardless of role or level of responsibility. We have a zero-tolerance policy on any type of bullying, harassment or employment discrimination. Our Equality and Diversity policy states:

> We seek to establish a work environment free from any form of discrimination, harassment and victimisation. We are committed to appointing, training, developing, promoting and rewarding employees fairly and objectively on the basis of their skills, experience and abilities. We seek to develop an environment where individuals can thrive and differences are valued. Acts of bullying or discrimination will not be tolerated and if proven will result in instant dismissal.

All our board members are fully supportive of our Employment Policies and an Employment Report is presented and discussed at every quarterly Board meeting. All our business partners and suppliers are advised of and expected to adhere to our labour policies.

Implementation

We ensure our compensation and benefits are applicable to all staff and our HR Director reports directly to the CEO and is present at all Board meetings. The HR Director is responsible for ensuring every aspect of our Labour Policies are adhered to by staff with regular training provided at all levels across the organisation.

We have a clearly defined Employee Handbook and a suite of HR/Employment policies that cover every aspect of employment, including Whistleblowing, Anti-Bribery & Corruption and very specific Discrimination policy to ensure every member of staff, regardless of gender race or age, have equal opportunities.

> All employees, no matter whether they are part-time, full-time, or temporary, will be treated fairly and with respect. When we select candidates for employment, promotion, training, or any other benefit, it will be on the basis of their aptitude and ability. All employees will be given help and encouragement to develop their full potential and utilise their unique talents. Therefore, the skills and resources of our organisation will be fully utilised and we will maximise the efficiency of our whole workforce.

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Measurement of outcomes

Our Employment practices are reviewed quarterly at every formal Board meeting and annually by all Shareholders. We have no incidents, violations or legal cases pending. All employees receive awareness raising training. All policy documents are available for viewing.

The demographics of our management teams are diverse and inclusive and there are never any instances where employees are precluded from any employment opportunities, support or management due to diversity factors. We take inclusion very seriously and support every member of staff in all aspects of their employment with us.

Our commitment stated within the Equality and Diversity Policy is:

- To create an environment in which individual differences and the contributions of all team members are recognised and valued.
- To create a working environment that promotes dignity and respect for every employee.
- To not tolerate any form of intimidation, bullying, or harassment, and to discipline those that breach this statement.
- To make training, development, and progression opportunities available to all staff.
- To promote equality and diversity in all aspects of our work.
- To encourage anyone who feels they have been subject to discrimination to raise their concerns so we can apply corrective measures.
- To regularly review all our employment practices and procedures so that fairness is maintained at all times.

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ENVIRONMENTAL PRINCIPLES

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

All of the IrisGuard UK Ltd management team, Board members and employees are encouraged to be environmentally aware and consider their use of resources such as power, water and paper and reduce the impact of travel by utilising public transport where possible. In relation to travel the Business Expense Policy states:

> Employees and line managers should consider whether or not travel is necessary to meet business objectives or if there are more appropriate means (for example, teleconferencing or videoconferencing). Where possible, flights should be booked well in advance to benefit from any discounts for early booking. The key consideration is whether or not the flight is the most cost-effective for the Company, unless there is a valid business reason for taking an alternative flight.

Additionally, the UK headquarters building is fitted with solar panels to provide a source of renewable energy and was chosen specifically because of the building's environmental credentials.

Implementation

Within each of our offices in the UK and Jordan, all employees are committed to recycling and reuse, as well as reducing single-use plastics whenever possible.

IrisGuard UK Ltd conforms to ISO9001 which is in line with our environmental policy and goals. Both IrisGuard UK Ltd and our suppliers adhere to the WEEE directive and are RoHS compliant.

As a company which designs and produces products, we aim to use the most environmentally friendly components. We design products which make use of existing stock and redesign to reuse component parts where possible.

Measurement of outcomes

We have a documented policy in line with ISO9001 standards and performance against this is audited annually and reported quarterly to Board.

Our staff commitment to the environment is monitored on a day-to-day basis to ensure that resource consumption is kept as low as possible and environmental responsibility is at the heart of the organisation.

With our employees based as far apart as the UK, Jordan and Canada, along with our customers and business partners based all over the world, we make use of environmentally friendly modern technologies and conduct meetings across time zones via internet technology methods.

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

Assessment, policy and goals
We have zero tolerance policies on discrimination and Anti-Bribery & Corruption which also include Anti-Money Laundering and Terrorist Financing. We have a specified Code of Conduct that all staff must adhere to and expect all employees regardless of role or responsibility:

- To fulfil their duties and obligations responsibly, providing the highest standards of work and performance in carrying out their business activities, adhering to all applicable legal and regulatory requirements;
- To treat each other and any other person with whom who they come into contact while working for the organisation, with respect and dignity. Bullying, harassment or discrimination will not be tolerated under any circumstances and may lead to instant dismissal;
- To behave in a way that enhances and protects the reputation of the organisation;
- To conduct the business of the organisation with honesty and integrity and at all times in a professional manner;
- To avoid any actual or potential conflicts of interest relating to the organisation;
- Not to accept gifts of hospitality or receive other benefits which might reasonably be seen to compromise personal judgement, integrity or brings the organisation into disrepute.

All agreements with suppliers or customers contain the necessary statements and understanding of the expected Code of Conduct, which is monitored and assessed regularly. Any violation of our Code of Conduct will result in immediate and appropriate action being taken by the organisation against those responsible.

Our largest customers include the UNHCR and WFP so we adhere to and are audited against all of their defined policies on Anti-corruption. We provide dedicated time and attention to the necessary protocols for staff who may on occasions enter into difficult areas in support of UNHCR work.

Implementation
The responsibility for the adherence to Anti-Corruption risks lies initially with our Finance & Compliance Director, the CEO, Chairman and any other Board member. Our Board of Directors ensures this is considered a high priority and we have an escalation system to the CEO and Chairman if any member of staff feels there has been a violation of our policies. All our finance systems are secured within defined electronic systems to ensure any financial transactions are secure and only managed by authorised members of staff up to our Finance Director.

All our staff receive certified mandatory training from Ropes and Gray LLP on Anti-Bribery & Corruption which also includes Anti-Money Laundering and Terrorist Financing, Third Party Relationships and Due Diligence, Economic Sanctions and Export Control. We use an electronic system (DDIQ) to perform due diligence on suppliers, customers and partners. Staff are trained on their obligations and responsibilities of reporting whistleblowing on any incident that may be considered against our dedicated policies.

Measurement of outcomes
We are audited regularly by both internal and external parties. All of our policies and procedures are monitored, reviewed and measured regularly by both internal staff and external bodies.

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Our contribution to the Sustainable Development Goals

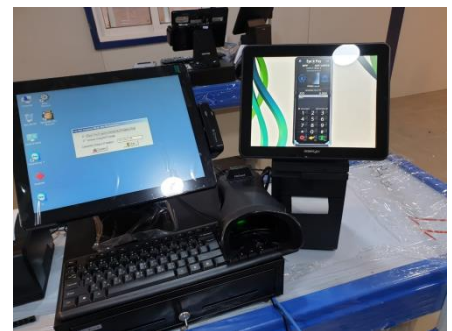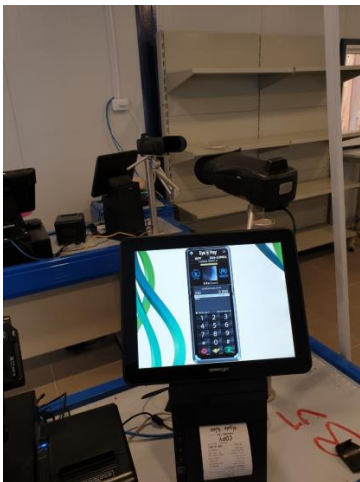| 1 NO POVERTY	**Goal 1. End poverty in all its forms everywhere** **1.4** by 2030, ensure that all men and women, in particular the poor and vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services including microfinance

Examples:

We are fully committed to the rights of those less fortunate than ourselves and work with the UNHCR and WFP on projects with Syrian refugees in Jordan, Lebanon, Iraq and Egypt. We are a sponsor of the UNCHR's annual World Refugee Day in Jordan. We also work with Ministry of Displacement and Migration (MoDM) Iraq to assist them in providing aid for Internally Displaced Persons – (IDP) and work with Ministry of Social Affairs (MOSA) Lebanon to assist local social welfare as well as the National Aid Fund (NAF) Jordan for the assistance of poor.

Over the Christmas and New Year public holidays of 2018 our dedicated teams were working hard to set up our equipment to enable the distribution of bread in the Azraq and Zaatari Camps. Starting at 7am, and during 4 hours on the morning of 1st January 2019, 3679 transactions had been completed. The images below show the iris scanning stations and the bread distribution.

"irisguard platforms provide convenience, ease-of-use, speed, stability, accuracy, hygiene and robustness to the process."

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	Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture
2 ZERO HUNGER	**2.1** by 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round

Examples:

Our work with WFP in the Jordan refugee camp allows refugees to buy their food using their iris, increasing the efficiency of donor money and encouraging more donors to donate with pinpoint accuracy which has not been seen before. Donors such as USAID, DFID, ECHO and others are reinvigorated and encouraged by our platforms ability to fairly ensure aid is delivered to the right beneficiary all the time and that no one else can deprive the beneficiary from receiving their rightful entitlements.

We are also partners with UNHCR for providing automated services through self-service kiosks for refugees ensuring a quick service (It's so simple, even my nine-year-old daughter can do it) with great ease.

Our work with WFP Jordan and WFP Lebanon for card verification throughout both countries ensures there are no duplicate distributions involving both Jordan Post and LibanPost as customer touch points providing service with dignity to all beneficiaries. Including post offices also provides revenue for those entities and increased local value and component; this helps change the view of locals towards refugees in the most profound way, refugees going to the post are customers receiving a paid service (for the post) as opposed to refugees who are burdening the country.

"irisguard guarantees that every US$, £ or €
intended for a beneficiary is delivered to that person and no-one else."

	Goal 5. Achieve gender equality and empower all women and girls
5 GENDER EQUALITY	**5.b** enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women

Examples:

Our work with UN Women to distribute salaries intended for women, only to women, using their iris ensures empowerment of UNW beneficiaries and that no one can collect their salary (work-for-pay) except the woman herself (not the husband, the son or the brother) since we depend entirely on her iris and her presence at the cash-out point. This world-pioneering solution is adopted by UNW and will be rolled out worldwide as an app on our EyePay® Phone once the pilot (currently underway, June 2019) is concluded in Jordan in August 2019. By linking this salary payment system to WFP Building Blocks Blockchain, we ensure women have a place to store their money (the Blockchain wallet) and that it is available to her anywhere she is in the world; this becomes her virtual bank account that no one other than her has access to. We are so fortunate to have had the chance to empower women with great dignity, unparallel protection and security using our EyePay® Cash platform.

"irisguard moves the world's unbanked from poverty to financial inclusion"

"Over half a billion dollars has been faultlessly transacted via irisguard platforms using only the iris"

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Goal 10. Reduce inequality within and among countries
10.c by 2030, reduce to less than three per cent the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than five per cent

Examples:
Our technology provides verification of individuals via their iris to ensure that the transaction and access to cash, wallets and staple food items is kept to a minimum and that each individual receives exactly what they are intitled to. Our technology has reduced fraudulent "ghost" transactions.
Ban Ki Moon (UN General Secretary) stated at the Economic and Social Council panel on accountability and transparency in 2012 that "30% of development aid... failed to reach its destination owing to corruption"

"data from operations in Jordan has been able to show that as much as 20% of payments, prior to deploying its platform, have been to "ghost" recipients"

When looking for organisations to provide our technology to we take into consideration the impact that the company has on addressing the needs of disadvantaged and marginalised population and attend events around the world to show case our innovative technology.

Mobile World Congress, Barcelona

MEFTECH, Riyadh   Jordan Embassy and Arab Chamber of commerce in the UK.

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	Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	**16.9** by 2030, provide legal identity for all, including birth registration

Examples:

By providing a universal and portable United Nations identity to refugees and IDPs, and linking that to crypto-currencies and Blockchain, we provide the beneficiary with mobility and freedom to move armed with a strong identity that is their eyes. Now with our EyeCloud® On Cloud (ECOC) platform, refugees, IDPs and marginalised people can carry their digital identity in their eyes not only within their country but as they move around the globe, and not one can deprive them of who they are.

Opening statement at the 68th session of the Executive Committee of the High Commissioner's Programme

*"We want every refugee to have a **unique digital identity**. This will enhance accountability and facilitate two-way communication between refugees and service providers. It will also help prevent and reduce statelessness."*

By Filippo Grandi, United Nations High Commissioner for Refugees, 2 October 2017
(https://www.unhcr.org/admin/hcspeeches/59d1f3b77/opening-statement-68th-session-executive-committee-high-commissioners-programme.html)

Providing access for Pensioner enrolment in Iraq

"irisguard spearheads financial inclusion to the vulnerable and under-served populations through its EyePay® platforms"