



RECOGNIZING PEOPLE. INSPIRING GREATNESS.

Rideau Recognition Solutions

2011 UNITED NATIONS GLOBAL COMPACT ANNUAL COMMUNICATION ON PROGRESS

Table of content

General Information	3
Brief Description of Nature of Business.....	4
Statement of Support	5
Human Rights	6
Labour Standards	9
Environment.....	10
Anti- Corruption	13

General information

Company Name:	Rideau Recognition Solutions Inc.
Address:	473 Deslauriers, Montreal, Quebec H4N 1W2, Canada 5 Penn Plaza, 23 rd floor, NY, NY, 10001, USA
Contact Name:	Ms. Valérie Duchesneau
Contact Position:	Environmental Projects Coordinator
Contact phone No.:	1.514.336.9200 ext. 297
Date:	July 25, 2011
Membership Date:	February 11, 2005
Number of employees:	227
Sector:	Other -Employee & Consumer Recognition Solutions

The Nature of Our Business

Local and global enterprises and public organizations alike rely on Rideau's recognition technologies and solutions. Rideau's vertically integrated end-to-end employee and customer recognition programs help our clients increase employee engagement, boost revenue and exceed customer expectations.

Rideau offers a complete suite of outsourced recognition solutions, which includes, but is not limited to, Service Awards, Performance Awards, Corporate Merchandising and Customer Loyalty programs. Rideau is also proud of its Recognition Management Institute (RMI), which helps efficiently communicate recognition and leadership principles through talks, workshops, and strategy building. RMI helps senior leaders grow their business and inspire greatness in the workplace and in the world. As a division of Rideau Recognition Solutions, RMI is also a source of thought leadership, through blogs, books, articles, and the popular Real Recognition Radio show.

Privately held with headquarters in Montreal and regional offices in New York, Paris and Bangalore, Rideau combines the customer service and personal touch of a specialized boutique with the resources to service the largest companies in the world. Rideau takes pride in inspiring greatness in the organizations they serve, creating better workplaces, better businesses, and ultimately a better world. For more information, please visit www.Rideau.com.

Statement of Support

Rideau continually strives to be socially and ecologically responsible in its business operations and in its interactions with employees, partners, clients and the community. To achieve such goals, Rideau aims for transparency in its operations, communication strategy and for effective measuring of results. It is thus natural for Rideau to be part of the United Nations Global Compact. Rideau fully supports the Global Compact and will continually seek to go further in maintaining its commitment to upholding human and labour rights, promoting sustainable development and fighting corruption.

Rideau abides by the Global Compact's 10 principles through its internal policies. We have binding comprehensive rules and a code of conduct for all employees. Every new hire receives an employee manual to remind them of their rights, obligations and recourses in the matters of equal opportunity, reasonable accommodations to people with disabilities, harassment at work, health and safety, privacy, gifts and gratuities, amongst others. Rideau is dedicated to continuous improvement and seeks to foster a positive work environment where employees feel safe and can thrive. In light of this, an anonymous annual employee survey is carried out every year and Rideau carefully follows up on the results.

Rideau sees the intrinsic link between respecting the environment and respecting human rights which is why Rideau's environmental program has greatly expanded over the years. The EcoAction team, comprised of employees representing most of the company's departments, has been active in fostering an environmental consciousness throughout Rideau and implementing new programs. The latest accomplishments include completing a greenhouse gas assessment and becoming CarbonNeutral®, which is a global first for a company in our industry. Also, we continue to plant trees through a Canadian not-for-profit organization, having planted over 20,000 trees last year.

As a proud member of the UN Global Compact, I hereby affirm that Rideau will continue to improve our business practices in compliance with the ten UN Global Compact's principles.

Yours truly,



Peter Hart

President and Chief Executive Officer, Rideau Recognition Solutions

July, 2011

5 | Page

Corporate Confidential © Rideau Recognition Inc.

Human Rights

Principal 1

Businesses should support and respect the protection of internationally proclaimed human rights;

Rideau entirely supports and respects the Universal Declaration of Human Rights. Rideau abides by the UN Global Compact principles for the workplace and seeks to have its suppliers and partners comply.

More than sticking with the nature of our business, this year we took an active stance on issues pertaining to resource extraction on First Nations territory in Canada. This is a first step toward becoming a company that defends human rights outside the direct scope of its operations.

Principal 2

And make sure that they are not complicit in human rights abuses.

At Rideau, we abide by Global Compact's human rights principles through our internal policies, our supplier questionnaires and our external commitments.

We have comprehensive rules and a code of conduct that are binding on all employees who must sign these on their induction into the company. It protects the interests of the employee and other stakeholders. Our supplier questionnaires pertain to the ILO's Fundamental Principles and Rights at Work, which incorporate international human rights. Our external commitments to organizations such as No Dirty Gold make us aware of issues and active in the fight for the respect of human rights outside the scope of our regular business.

Further, every new employee at Rideau receives an employee handbook delineating their rights, obligations and their recourses. The following are some of the subjects in relations to human rights addressed in our Rideau Employee Handbook.

1. Equal opportunity

Rideau judges individuals by their abilities, not their disabilities; the company seeks to give full and equal employment opportunities to all people capable of performing successfully in the company's position. In our annual employee survey, the employee satisfaction index for the "Diversity" category was at 81% in 2011, an improvement of 15% since 2007.

Under company policy and federal and provincial/state laws, people with disabilities are entitled to reasonable accommodations that allow them access to company programs, jobs, services, and activities unless accommodation pose an undue hardship on the company. People with disabilities not only have a right to ask for accommodations, they are encouraged to do so by talking directly with their immediate supervisor and/or their Human Resources department.

2. Harassment at work

Rideau is committed to maintaining a positive, fair work and educational environment, free from any kind of harassment. Sexual and/or psychological harassment of employees is a violation of federal laws. Freedom from sexual and psychological harassment is regarded as an individual right. Any employee is subject to disciplinary action for violation of this rule. In conformance with this policy, Rideau ensures fair and impartial investigations that protect the rights of both the person(s) filing the complaint as well as the person(s) complained against. Furthermore, retaliation against anyone who makes a complaint of harassment or who is involved in a complaint process will not be tolerated.

3. Health and safety

Rideau has an ongoing interest in the health, safety and protection of all our employees and will make every effort to provide (and maintain) a safe and healthy work environment. It is the responsibility of every supervisor to ensure that safe and healthy work conditions are maintained.

Also, the company encourages employees to take an active role in keeping an injury free workplace. Rideau is committed to complying with all health and safety regulatory and compliance needs and to implement processes and programs that improve our employee's knowledge about health and safety. We will not tolerate unsafe work practices or behaviors. Employees who engage in unsafe acts or behaviors in the work environment will be subject to disciplinary action.

Rideau encourages its entire staff to get involved in safety awareness activities and recognizes employees for safety accomplishments and ideas. Rideau maintains policy and procedure regarding the company personal protective equipment required.

4. Privacy

Rideau acknowledges that employees have a fundamental right to privacy in the workplace and it is the company's stated belief that all employees should be treated with respect. While honesty and trust are the basis of an employee/employer relationship, the nature of our

business and easy accessibility to valuable merchandise may require certain safeguard or actions to be taken to ensure against loss and theft. In the event of an immediate medical emergency, a safety threat, a reasonable suspicion of theft or other illegal activity, a search of an employee's personal belongings may be performed. This will be done in a responsible manner that protects employee's privacy and dignity, and it must be approved by senior management and in the presence of Human Resources. Also, confidential matters between an employee and supervisor should not be discussed with co-workers unless they have a legitimate business reason to know. In the same way that employees do, clients also have a right to security of information. Rideau respects and will preserve this right. Confidential information will remain the exclusive property of Rideau and its subsidiaries. No employee shall use Confidential Information for any purpose which might be directly or indirectly detrimental to our clients, to Rideau or any of its subsidiaries.

All employees are aware of their duties and their rights which are strictly enforced.

Labor Standards

Principal 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principal 4

The elimination of all forms of forced and compulsory labor;

Principal 5

The effective abolition of child labor; and

Principal 6

The elimination of discrimination in respect of employment and occupation.

Rideau is committed to equal employment opportunity in every aspect of the employment policy and practice including selection, placement, training and career advancement. Rideau celebrates diversity and practices employment equity by participating in the Federal Contractors Program for Employment Equity (FCP-EE). In complying with the letter and spirit of applicable laws and pursuing its own goals of diversity, Rideau shall not discriminate on the grounds of race, color, religion, gender, sexual orientation, national origin, citizenship status, age, disability, or veterans' status in employment, education, and all other areas of Rideau. John Turner, Rideau's Chief Financial Officer, in conjunction with Isabelle Lavigne, Rideau's Vice President of Human Resources, is responsible for the Employee-Management Employment Equity Committee. This committee works to ensure that no person shall be denied employment opportunities or benefits at Rideau for reasons unrelated to ability. The company will always provide reasonable accommodations to qualified individuals with disabilities upon request.

Rideau complies with local legislation around labor and employment practices, such as working hours, wages and benefits, equal opportunity and freedom of association, child labour, health and safety, work-life balance etc. The Rideau employee handbook is designed based on local legislations and it includes policies related to compensation, benefits, sexual harassment, disabilities, substance abuse etc.

Rideau complies with international social standards, such as ILO convention and OECD guidelines. Rideau employs individuals who have working permits and background check processes are also in place.

Rideau sends an annual questionnaire to its suppliers. It includes questions allowing Rideau to gauge suppliers' business practices. Rideau not only complies with local legislation around labor and employment practices, we also require that suppliers comply with local labor and employment laws, health and safety regulations or other company policies related to social issues.

Environment

Principal 7:

Businesses should support a precautionary approach to environmental challenges;

Rideau supports a precautionary approach and looks to anticipate and prevent environmental problems before they occur. Rideau conforms to the strictest air and water quality standards set by federal, provincial and municipal authorities. We also go beyond the standards issued by legislation to take a stand on environmental issues.

1. Climate: CarbonNeutral certification

In February 2011, we became the first company in our field in the world to offset the greenhouse gas emissions generated by its entire practices, thus becoming carbon neutral. This was a really exciting first. We hope we will inspire others to take a similar stance on climate change issues. Rideau is supporting a precautionary approach to climate change.

2. Water

At Rideau we carefully monitor all of our water waste generated in our factory operations. Our electroplating water effluent is tested and recorded daily. A sample of waste water is sent to an independent testing laboratory twice a year to ensure conformity with all laws and regulations. These reports are sent to the local authority twice a year in compliance with local laws.

As for the municipal drinking water available to employees, in 2009 a water filtration system was implemented throughout the entire facility to ensure purified water is available at all times. In 2011, our employee survey indicated that less than 10% of employees now bring their own plastic water bottles to work. In this way, Rideau contributed to supporting the elimination of plastic water bottles on its premises.

3. Waste generation and efficient use of resources

Our modern manufacturing facility uses the latest environmental technologies and procedures and is equipped with anti-pollution equipment and alarm systems. All chemical waste is stored and disposed of with an accredited company twice a year. Since 2005, Rideau has seen the elimination of Tri-chlorethylene from 2547 kg to 0, the reduction of Sulphuric Acid from 10 gallons per week to 0.5 gallon per week, and the reduction of Nitric Acid from 5 gallons a month to 1/2 gallon a month. Rideau recycles all gold, silver, pewter and brass excess material used in our manufacturing processes.

Furthermore, Rideau is dedicated to reducing greenhouse gasses by reducing its energy consumption and by converting existing equipment that uses natural gas to electricity. Wherever possible, new equipment purchased will use electricity. Moreover, in 2011, we have signed the World Business Council on Sustainable Development's Energy Efficiency in Buildings Manifesto. Currently, a program is being put in place to gather energy efficiency improvement

suggestions from employees in order to improve our buildings. In this way, we are working to reduce our environmental footprint.

Principal 8:
Undertake initiatives to promote greater environmental responsibility;

Rideau's environmental program is highly dedicated to educating employees on environmental issues and fostering an ecologically responsible lifestyle at work and at home. As various initiatives and programs are implemented, employee communication sessions are held to ensure that the processes are followed properly.

Rideau's head office features a full-scale recycling program designed to reduce waste throughout the company. This program includes the recycling of paper and light cardboard materials as well as plastics, glass and metal products. Rideau also recycles used batteries and electronics.

Recycling bins are strategically placed throughout the offices, cafeterias, factory, shipping and receiving areas. All recyclables are collected daily and periodically collected by external recycling facilities (separate for paper and other materials, as paper can be sold). In 2009, Rideau was awarded the highest level of certification for its recycling program from the "ICI ON RECYCLE" project developed by the Government of Quebec. We are currently working to make sure that this certification will be granted once more in 2012.

This past year Rideau has organized various educational activities for employees. For example, at the children's Christmas party, a Christmas tree out of recycled materials was made to raise awareness about ingenious ways of recuperating materials, especially among the on-looking parents.

The distribution of notebooks out of one-sided paper to new employees was continued in order to encourage new employees to reduce their waste and inform them of environmental initiatives at Rideau. In March, Rideau mobilized the entire company to play "The Carbon Footprint is Right", designed to raise awareness about climate change issues and to motivate employees to decrease their emissions at work and at home. This was also a way for Rideau to get the employees on board with the new CarbonNeutral certification.

This spring, Rideau continued to grow its flower and vegetable garden, and replaced another concrete surface with perennial flowers along the entrance of its offices and in the picnic area. In August, Rideau will launch a contest to promote carpooling, active transportation and public transportation for the third year running. Another initiative includes the launch of the EcoAction column in the Tribune, the company newsletter. This is used as a tool to reach out to employees who have questions about their own and Rideau's environmental actions.

Rideau is also working to influence other companies or organizations to become more environmentally friendly. For example, in offering programs through which companies can plant trees to recognize their employees or by voicing our environmental concerns to other companies, we are contributing to improving environmental behaviors.

Principal 9:
Encourage the development and diffusion of environmentally friendly technologies

During workshop sessions presented to employees and in newsletters, environmentally friendly alternative technologies have been presented. The objective is to introduce employees and managers to renewable energy sources and to encourage them to reduce our energy consumption. Rideau has undergone an energy audit in 2009. In 2010, we became CarbonNeutral, a program through which we support the development of renewable energy sources in various international locations. In 2011, we will be instigating an employee participation program through which we will promote energy efficiency in our buildings and operations. In the fall, there will be an initiative to encourage employees to weatherize their homes for the winter and thus reduce their energy spending and consumption.

Some of the main objectives the EcoAction environment committee will pursue next year include:

1. Continuing to retrofit the company to reduce energy consumption
2. Following the greenhouse gas assessment, achieving a 5% yearly decrease of company emissions over 3 years
3. Improving Rideau's environmental policy
4. Continuing workshops and newsletters distribution to increase environmental awareness at Rideau
5. Establishing a carpooling program at Rideau
6. Improving participation in the summer composting in Rideau's garden
7. Offering more fair trade products internally (coffee, tea, sugar, chocolate, dried fruit)
8. Reducing Rideau's overall waste production
9. Continuing to decrease environmental impacts of Rideau organized events
10. Starting an exchange program among employees for used household items

Anti- Corruption

Principal 10: Businesses should work against all forms of corruption, including extortion and bribery

According to our employee survey, trust has gone up 9% in the last 4 years. Further, the belief that management will act upon reported unethical or dishonest practices has increased by 12% since 2007.

Rideau standards of conduct, as reflected in the employee handbook, continue to be designed to help maintain the company's reputation of honesty and integrity; all employees are expected to comply with these principals. In addition, our employees and managers must run our business in compliance with all the applicable laws and regulations of the countries in which we operate. Any violation of the following standards and/or laws and regulations will not be tolerated. Moreover, it is everyone's responsibility to report to the company or HR any violations of applicable laws and regulations without fear of retaliation. Employees should not accept or offer gifts, favors or entertainment, other than infrequent items of nominal value. Appropriate gift-giving can serve to build relationships. However, this should never be done if the possibility or even the appearance of improper influence exists. Rideau expects that its people will exercise good judgment, lead by example, and seek guidance, when necessary for their own conduct.