2011 Communication on Progress – TICO Digital Group

Time period from 11/2010 – 11/ 2011

Statement of continued support by the Chief Executive Officer

Dear Stakeholders,

TICO Digital Group affirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. We commit to make meaningful contributions to the surrounding environment and accomplish the UN Millennium Development Goals.

We acknowledge the importance to ensure own corporate practices fall in line with the principles advocated by the UN Global Compact. By embracing a broad perspective of Social Responsibility, TICO Digital Group continues to work to promote sustainable development.

Sincerely yours,

Zhou Zhou, President
TICO Digital Group

- **Human Rights**

Assessment, policy and goals
Description of the relevance of human rights for the company (i.e. human rights risk-assessment). Description of policies, public commitments and company goals on Human Rights.

Detailed employees' rights and available resources within the organization (reference to the Universal Declaration of Human Rights) are included in the Employee Handbook of TICO Digital Group. It is regarded as a common standard of achievement for every employees and it is promoted in progressive measures.

The Employee Handbook is revised at a regular basis in order to make sure it is compatible with the company's growth and contains timely and accurate provisions for the interest of its stakeholders.

Implementation
Description of concrete actions to implement Human Rights policies, address Human Rights risks and respond to Human Rights violations.

The labour contract of TICO Digital Group ensures the openness and transparency of

both parties' rights. Employees are encouraged to discuss issues come across in the workplace so as to find out solutions.

For the Human Resources Department of TICO Digital Group, it is responsible for collecting employees' views and suggestions in a regular basis and then to follow up the cases with respect and privacy. Issues would be resolved in conformity with the country's laws and Universal Human Rights principles.

Measurement of outcomes
Description of how the company monitors and evaluates performance.

With the senior management supervising the related policies and ensuring that every employees and stakeholders are treated equally, TICO Digital Group has not encountered major incidents of Human Rights violation till to date. TICO Digital Group works to create a better business environment for own employees and business partners.

- **Labour**

Assessment, policy and goals
Description of the relevance of labour rights for the company (i.e. labour rights-related risks and opportunities). Description of written policies, public commitments and company goals on labour rights.

TICO Digital Group values our employees and realizes the importance to create an organization culture of integrity and respect so that employees enjoy the company benefit at the growth and productivity of the company itself. The Employee Handbook states clearly about the employee rights, responsibilities, compensation and benefits. TICO Digital Group will continue to provide a wider range of employees 'benefit packages.

Implementation
Description of concrete actions taken by the company to implement labour policies, address labour risks and respond to labour violations.

TICO Digital Group has written guidelines about Labour Rights and in case of violation, issues would be resolved with the best interest of the neglected party.

Both formal and informal effective communication measures are available in workplace for the top management and the staff. Every employee is aware of the rights and responsibilities in workplace.

Measurement of outcomes

Description of how the company monitors and evaluates performance.

Human Resources and senior management work together to make sure every employee is treated equally in workplace.

- **Environment**

Assessment, policy and goals

Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities). Description of policies, public commitments and company goals on environmental protection.

TICO Digital Group continues to provide the best application of Audio-Visual technology in order to bring the community the convenience of communication on sustainable and low carbon initiatives. TICO Digital Group is a committee member of Society of Entrepreneurs and Ecology (SEE) and worked on the problem of desertification and the protection of ecological environment. Besides, TICO Digital Group has been appointed as delegate SEE to attend the annual meeting of United Nations Environment Program (UNEP) in Kenya.

Below are the simple guidelines to reduce energy consumption in the workplace;

➢ Turn off lights, air conditioning, computer and other electrical appliances, upon leaving the office;
➢ Shut the windows when using air conditioning;
➢ Reusable kitchenware;
➢ Use public transport, instead of taxis or Company cars, when commute to work/go out for business meeting;

Implementation

Description of concrete actions to implement environmental policies, address environmental risks and respond to environmental incidents.

More information about energy saving and environment protection guidelines will be included in the company's Employee Handbook by 2012. By minimizing carbon footprint of business travels, video conferencing will further be used to connect with clients.

Measurement of outcomes

Description of how the company monitors and evaluates environmental performance.

TICO Digital Group continues to support the program held by Society of

Entrepreneurs and Ecology (SEE) in the environmental protection field. Employees are encouraged to limit their environmental footprint and follow the guidelines in order to reduce energy consumption in workplace.

- **Anti-Corruption**

Assessment, policy and goals
Description of the relevance of anti-corruption for the company (i.e. anti-corruption risk-assessment). Description of policies, public commitments and company goals on anti-corruption.

The Employee Handbook includes the Company policy and protocol. Once any staff is confronted to situations where corruption and bribery are likely to take place, the Company's protocol provides guidance on how to react and report the violation. TICO Digital Group holds a strict zero-tolerance policy for corruption and bribery.

Implementation
Description of concrete actions to implement anti-corruption policies, address anti-corruption risks and respond to incidents.

Online platform (OA Systems of TICO Digital Group) are used by every employees and they all have to upload the project information and job details so that senior management can track on the progress of the projects and know how the way of business employees dealing with the external parties. TICO Digital Group also values the transparency and fairness for the selection of the business partners.

Measurement of outcomes
Description of how the company monitors and evaluates anti-corruption performance.

The consequences related to corruption and bribery violation are mentioned in the training workshop provided to all employees at the first day of work.