



United Nations Global Compact
Communication on Progress

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2 August 2011 through 2 August 2012

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XtremeLawn

Executive Letter



Director John Baize



WE SUPPORT

August 2, 2012

Dear Shareholders,

This will be the fifth year that I can call ACT Global Sports a proud member of the United Nations Global Compact. This past year was an exciting one for our company, as we continued to develop our global presence through an expanding network of partners and installations worldwide.

As our business grows, so does our commitment to environmental and social responsibility. We take great pride in our employees, global partners and state-of-the-art manufacturing facilities. Our experienced team is devoted to building long-term relationships through integrity, hard work and expertise. We treat each order with the highest sense of importance—no matter how large or small the project.

It is our responsibility to maintain honest, positive business practices as leaders to the synthetic turf industry. The principles set forth by the United Nations Global Compact will continue to guide our future decision-making. We look forward to another productive year of investing in our employees, our manufacturing practices and our positive affiliations worldwide.

Best regards,

A handwritten signature in black ink that reads "John Baize". The signature is fluid and cursive.

John Baize
Managing Director



Corporate Profile



ACT Global Sports is an innovation-driven company that designs and supplies world-class artificial turf systems. We are known throughout the world by our Xtreme Turf and Xtreme Lawn brands. With installations in 68 countries, we are your global partner in sports and landscaping.

We are dedicated to be your key partner by delivering expertise in all project phases—from product research, manufacturing, installation and maintenance. Our production facilities are located in USA, Asia and Europe.

We are focused on building relationships through reliable service, investments in the latest technology and world-class manufacturing.

We are the first company in the world that is a FIFA Preferred Producer for football turf, Synthetic Turf Council Certified, and holds an ISO 9001 Certification.

Mission Statement

“Our focus is to enhance our market value through integrity, product value and customer satisfaction.”

To build our strong market position, we must have a total commitment to integrity, highest quality, ongoing product research, teamwork, and a thoughtful understanding of the customer’s needs.

Corporate Values

Customers

Our approach with our customers is simple—we provide honest solutions. Our experienced team is devoted to building long-term relationships through integrity, hard work and superior expertise. We treat each order of artificial turf with the highest sense of importance—no matter how large or small the project may be.

Employees

Our employees around the world are our most valuable asset. We invest in our employees through skills training and by offering a comfortable working environment that promotes honesty, innovation and quality service.

We are dedicated to hiring the best employees by providing equal opportunity employment. We do not discriminate against gender, race, social origin, background, religion, marital orientation or age.

To expand our global network, we have established sales locations in Texas and Georgia, USA, Thailand, United Kingdom, France, Poland, Malaysia, France, Poland, the Netherlands and Cyprus.





Business Partners

We value our long-term relationships with our business partners and suppliers. We provide focused marketing, technical and project administration support to the large network of ACT Global Sports partners around the world. All of our suppliers are carefully selected based upon their proven quality material, timely services and reputation for integrity.



Society and Industry

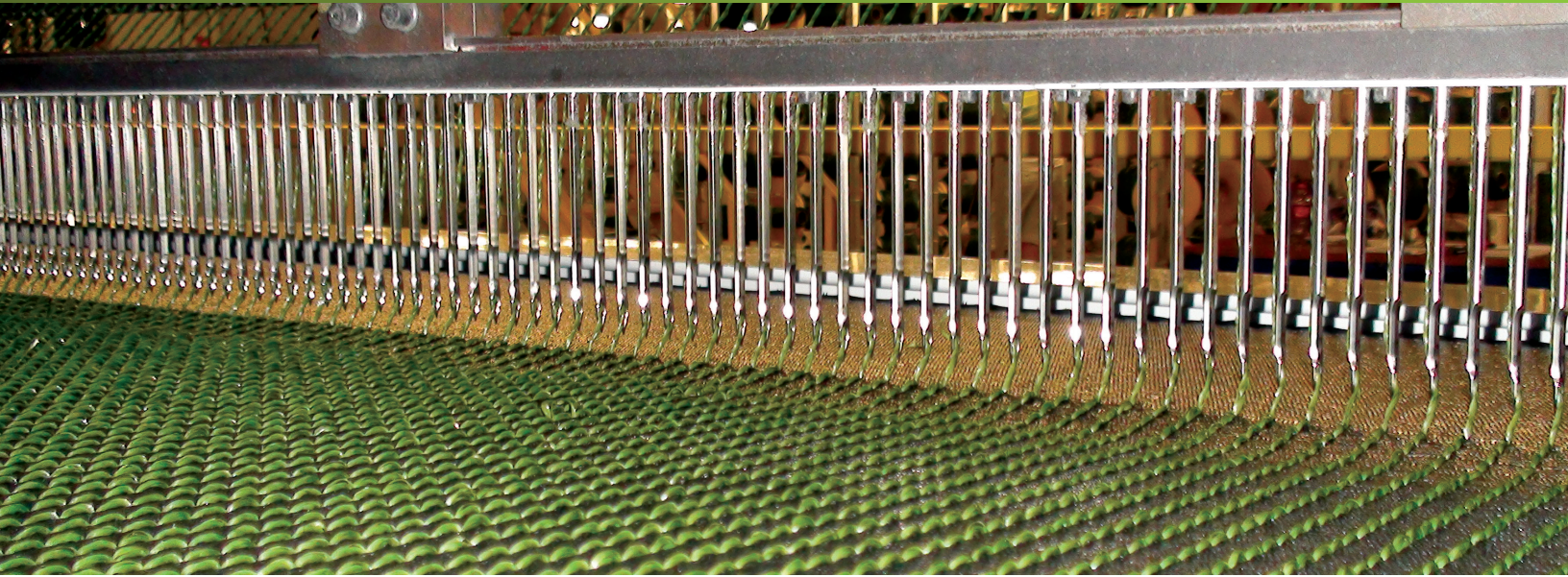
We recognize that our society and artificial turf industry are important stakeholders in our business. Our commitment to environmentally-friendly products and manufacturing is evidenced by our ISO 14001 environmental certification. We are a participating member of the United Nations Global Compact and support industry organizations such as Synthetic Turf Council and Sports Turf Managers Association. We are also a licensee of the FIFA Quality Concept for Football Turf.



Manufacturing

With large capital investments in production facilities around the world, ACT Global Sports is dedicated to the artificial turf industry. We have manufacturing facilities in the USA, Asia and Europe. Our main production facilities include three production buildings, two comprehensive office buildings, lodging houses, a showcase center, test labs, research and development center and conference area. Our facilities offer state of the art operations for fiber extrusion, tufting, and coating.

With a highly-trained production and technical staff to operate world-class equipment including our tufting machines, multiple extrusion lines and coating oven, the production capacity exceeds 4 million square meters (over 40 million square feet).



Our total quality management culture greatly enhances customer service and product consistency. We are also pleased to have achieved ISO 9001 and ISO 14001 certifications as a result of our quality measures.

Expert Installation

Our synthetic turf projects are carefully installed by trained experts to ensure long-term quality and satisfaction. We have installation partners in 68 countries. We work closely with clients, architects and other consultants to determine the customers' specific needs. Our methods of installation and maintenance are based upon proven facts and experience.



ACT Global Sports is **FIFA Preferred Producer** for Football Turf

“ We can provide the best turf in the industry, by combining the finest raw materials with the latest equipment from the USA, United Kingdom, Germany and Australia.”



Product Range

ACT Global Sports has engineered an innovative product range for a wide variety of uses including soccer, football, golf, field hockey, baseball, tennis and landscaping. Our products are the right choice for thousands of users throughout the world.



Our landscape and recreational products can be used for many surfaces including:

- Airports
- Apartments
- Businesses (office buildings, retail, car dealers, restaurants, gas stations, etc.)
- Churches
- Golf courses and greens
- Hotels and motels
- Lawns
- Parks and recreational areas
- Pet areas
- Public buildings and street medians
- Schools
- Shopping Malls
- Swimming pool areas
- Television and movie studios
- Trade shows.... and many more!



Product Strategy

Our product strategy is to replicate the natural grass experience through performance-based product development and extensive quality testing.

Performance-Based Product Development

We start by analyzing the biomechanical needs of the athlete or recreational user. We then conduct extensive research and development in our own factory and laboratory to match the biomechanical needs with the right combination of grass fiber, backing, turf coating,



New Product



5 Year Wear



10 Year Wear



infill, installation and maintenance methods. As a result, our customer receives a highly engineered system that replicates the natural grass experience.

Proven Benefits and Quality

As a result of our product strategy and quality focus, our customer is assured of having the latest artificial turf technology in the world. Once we engineer the right artificial turf system for the athlete or recreational user, we conduct up to 60 independent lab tests to make sure we can prove the benefits and long-term quality. These independent lab tests include biomechanical and athletic testing in addition to torture and durability testing.

As a result, we have also achieved numerous certifications and reports. This includes 28 products which pass FIFA lab tests, environmental testing and also reports based upon various other standards including ASTM, DIN, Norwegian, Dutch and Chinese standards.

Benchmarks for American Football Kyle Field Study at Texas A&M Stadium

ACT Global with cooperation from Labosport and Texas A&M University, engaged the research to understand the sport performance of the natural turf at Kyle Field stadium and compare those to FIFA's international synthetic turf standards. Kyle Field at Texas A&M was selected as it is well-known for being one of the top natural grass football stadiums in the United States.

The on-site technical assessment was performed to test shock absorption, vertical deformation (foot stability), rotational resistance (traction), energy restitution (fatigue indicator) and various ball-to-surface interaction measurements.

By conducting this study on the best natural grass field, we see the results fall within the parameters set by the FIFA Quality Concept. ACT Global's products meet those standards.

Company History



ACT Global Sports

- Founded in February 2004 as Global Sports Systems
- Management team with extensive industry experience in each functional area
- Sales in 68 countries through exclusive distribution partners
- Excellent reputation for quality, strong relationships, integrity and expertise
- Only company holding all three certifications, FIFA Preferred Producer for Football Turf, Synthetic Turf Council Certified Manufacturer and ISO 9001
- 7 years of marketing reinvestments provides excellent platform for future growth

Promoting the United Nations Global Compact

We are proud to call ourselves partners with the United Nations Global Compact. Our sales teams around the world have promoted our association within their respectable markets. Our goal as a world leader in synthetic turf industry is to educate and encourage other companies in the artificial grass market to gather the basic principles to action for continued communal growth.

- We maintain a current copy of our latest Communication on Progress archived on our company website www.ACTGlobalSports.com, for the public to view and download.
- We display the United Nations Global Compact Support logo in our marketing materials and efforts, including tradeshow displays, banners, brochures, website, presentations and more.
- ACT Global Sports makes great efforts to build personal relationships with customers, and promote our participation in the Global Compact through these relationships.
- We hope to inspire others to make a difference in the world by administering the principles of the Global Compact in their own business.

| # | Principle | Implemented | Comment |
|-----|---|-------------|--|
| 1-2 | Human Rights | Yes | No issues |
| 3 | Labor Rights - Freedom of association and collective bargaining | Yes | No issues |
| 4 | Labor Rights - No forced or compulsory labor | Yes | ISO 9001 Certification for US facility |
| 5 | Labor Rights - No child labor | Yes | No issues |
| 6 | Labor Rights -Eliminate discrimination | Yes | No issues |
| 7 | Environment – Precautionary approach to challenges | Yes | ISO 14001 Certification |
| 8 | Environment – Promote greater responsibility | Yes | Extended support of World Vision, Care, Donation of trees to carbonfund.org. |
| 9 | Environment – Develop and diffuse environmentally-friendly technologies | Yes | Continued contributions towards Carbonfund.org and water saving technologies |
| 10 | Anti-Corruption | Yes | No issues |

Human Rights

Principles 1 and 2

Businesses should support and respect the protection of internationally proclaimed human rights and make sure that they are not complicity in human rights abuses.

Actions and Achievements:

ACT Global Sports advocates human rights and equal opportunities worldwide. We have educational materials available for all employees regarding the Occupational Safety & Health Association, Employee Rights, and Workers Compensation. We take great care to maintain a comfortable, safe and professional working environment for our employees and partners around the world. We foster an open culture by encouraging regular communication amongst employees.

Measurement:

We have implemented feedback systems to allow employees to express any concerns or feedback to leadership. With regular communication and proper training of business ethics we confirm no human rights are violated.



Labor Standards

Principle 3

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

Actions and Achievements:

ACT Global Sports continues to uphold the freedom of association and the effective recognition of the right to collective bargaining. We do not discriminate on grounds of membership in a labor union. ACT Global Sports welcomes their employee's and partners to associate freely, in good faith, without interference from our management. When the company is able to work as a team with respect and understanding we are able to succeed as individuals and a company as a whole.

Measurement:

Our company policies clearly indicate our compliance with these issues. ACT Global Sports will engage open discussions and formal reviews of work environment to ensure these policies are continually met.

Labor Standards



Principle 4

Businesses should uphold the elimination of all forms of forced and compulsory labor.

Actions and Achievements:

ACT Global Sports upholds a zero tolerance policy to all forms of forced and compulsory labor. This behavior is unjust and offensive to the integrity of our company and employees. To avoid miscommunication regarding labor expectations, responsibilities, wages, and schedules are formally outlined for each employee. We openly invite employees to provide feedback and suggestions that will contribute to a comfortable work environment. We treat all our worldwide partners with the same open courtesy and respect. Our diverse team of individuals and wide range of skill sets and backgrounds make working for ACT Global a unique and positive experience.

Measurement:

International partners and employees undergo a former evaluation process to ensure they can comply with our company standards and those set forth by the United Nations Global Compact.



Principle 5

Businesses should uphold the effective abolition of child labor.

Actions and Achievements:

ACT Global Sports upholds a zero tolerance policy to all forms of forced and compulsory labor. This behavior is unjust and offensive to the integrity of our company and employees. To avoid miscommunication regarding labor expectations, responsibilities, wages, and schedules are formally outlined for each employee. We openly invite employees to provide feedback and suggestions that will contribute to a comfortable work environment. We treat all our worldwide partners with the same open courtesy and respect. Our diverse team of individuals and wide range of skill sets and backgrounds make working for ACT Global a unique and positive experience.

Measurement:

International partners and employees undergo a former evaluation process to ensure they can comply with our company standards and those set forth by the United Nations Global Compact.

Labor Standards

Principle 6

Businesses should eliminate discrimination in respect of employment and occupation.

Actions and Achievements:

As a worldwide company, ACT Global Sports is a melting pot of cultures and ideas. To be a successful global company we accept and embrace this diversity. We have valued partnerships in over 50 countries and offices stationed in the Netherlands, United Kingdom, Thailand, France, Poland, China, Cyprus, France, as well Texas and Georgia, USA.

We are able to successfully adapt our approach to address each specific regional market without discrimination or disrespect. With this mutual understanding between our valued stakeholders and ACT Global we are able to develop a respected line of communication and acceptance. We do not discriminate against race, color, sex, religion, political opinion, national extraction, social origin, age, disability, HIV/AIDS status, trade union membership, and sexual orientation. Our employees and contractors are hired based on their skills and ability to do the job at hand.

Measurement:

Maintain documentation of all complaints and issues.



Environment



Principle 7

Businesses should support a precautionary approach to environmental challenges.

Actions and Achievements:

ACT Global continually invests time and money into developing environmentally friendly products and business practices. Our ISO 14001 environmental certification is recognized and accepted by our partners worldwide as a mark of sustainable business practices. In addition, ACT Global continues to support Carbonfund.org.

Our synthetic turf products pass strict environmental testing. There is an increasing demand for environmentally-friendly products, and ACT Global's products fill this need. Synthetic turf can alleviate the use of water and pesticides. According to the Synthetic Turf Council, the average U.S. household can save up to 70% of their water bill by installing synthetic turf. The Southern Nevada Water Authority estimates that every square foot of natural grass replaced saves an additional 55 gallons of water per year.

Measurement:

Detailed records of all our environmental testing for lead, mercury, zinc, cadmium, chromium, tin, toxicity, EOX and DOC. We confirm these results to the general public by placing hazardous labels on all our artificial turf rolls. In addition, we track donations to Carbon Fund.

Environment



Principle 8

Undertake initiatives to promote greater environmental responsibility.

Actions taken & Achievements:

ACT Global Sports annually contributes to CARE, a humanitarian organization that fights global poverty in part by providing economic opportunities to women in particular. Our goal with CARE is to provide resources needed for survival in the hands of those individuals most adept to make a change in their immediate community. With our donations, the women, mothers, and wives are able to provide value to their families and friends while developing a sense of empowerment.

We also honored Earth Day 2012 by donating trees to be planted as part of Carbonfund.org’s Million Tree Challenge. The trees were planted in formal, verified tree-planting projects all over the world. ACT Global continually supports Carbon Fund of with goals to conserve the Earth’s living heritage and to demonstrate that human societies are able to live harmoniously with nature.

Measurement:

Donated 600 trees for Earth Day 2012, and continue to make measurable monetary donations to global environmental organizations.



Environment

Principle 9

Businesses should encourage the development and diffusion of environmentally friendly technologies.

Actions and Achievements:

In addition to ACT Global Sports' immediate involvement with Conservation International, US Greenscapes and Carbon Fund we have informed our valued partners of how they too can also take a step toward sustainability. When general contractors and architects purchase and install our synthetic turf products they can gain LEED credits. Established by the US Green Builders Council LEED, the Leadership in Environmental Design organization, designates products as "green friendly" by obtaining points through environmental conscious organizations. ACT Global further encourages its employees to implement the best practices in energy and resource efficiency, waste reduction, renewable resources, and the use of cleaner production.

Measurement:

Records of LEED credit projects, energy consumption and water consumption maintained.



Anti-Corruption

Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery

Actions and Achievements:

ACT Global Sports does not condone any form of corruption, extortion and bribery. We value integrity above all things. With clear lines of communication we confirm that we only work with those individuals and companies that share the same value systems as ACT Global.

It is our policy to limit the amount of gifts that can be given or received by an employee or professional partner. We do not tolerate corruption or bribery in any shape or form.

Measurement:

Any policy or ethical violation that is detected by an employee is immediately reported to upper management and documented.

ACT Global Sports products and services are available through a distribution network in 68 countries.

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