

## UNITED NATION GLOBAL COMPACT COMMUNICATION ON PROGRESS

<b>Company Name:</b>	TFP Solutions Berhad	<b>Date:</b>	9 <sup>th</sup> July 2012
<b>Address:</b>	No 8-3 Jalan Puteri 4/2, Bandar Puteri, 47100 Puchong, Selangor Darul Ehsan	<b>Membership date:</b>	24th February 2009
<b>Country:</b>	Malaysia	<b>Number of employees:</b>	60
<b>Contact name:</b>	Dr Chew Seng Poh		
<b>Contact Position:</b>	Executive Director	<b>Sector:</b>	Software & Computer Services
<b>Contact telephone no:</b>	+603 8060 0088		

### Brief description of nature of business

TFP Solutions group of companies specializes in Providing Business Productivity Solutions and Services for Business Enterprises. Our business proposition to our clients is to enhance the Total Factor Productivity of their businesses

In order to achieve the business proposition, our business comprise of 2 core business pillars:

- (i) provisioning and consultancy of business management applications to business enterprises.
- (ii) provisioning and consultancy of converged IT infrastructure solutions.

### Statement of continued support

TFP Group decided in 2009 to support the ten principles of the Global Compact with respect to human rights, labor standards, protection of environment and anti-corruption. We are today happy to confirm our continued support for the Global Compact and renew our ongoing commitment to the initiative and its principles. Practical actions taken by our group in 2011 are summarized in our corporate social responsibility review in this annual report. We shall continue to actively pursue an environment conscious culture within our TFP Group. With that, we successfully met our environmental targets in our efforts to promote environmental sustainability within the organization. We look forward to participating in the Local Network's activities, continue to influence our stakeholders on the values of the Global Compact's principles and vigilant in ensuring our organization and its people abide by these principles.

Signature		Position	Managing Director
	Alex Lim Lung Wen		

HUMAN RIGHTS	
PRINCIPLE 1	BUSINESS SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONAL PROCLAIMED HUMAN RIGHTS
PRINCIPLE 2	BUSINESS SHOULD ENSURE THAT THEY ARE COMPLICIT IN HUMAN RIGHTS ABUSES

### Our Commitment or Policy

TFP Solutions Berhad has a clearly defined the Human Rights policy in our company human resource policy. This Code of Conduct support and respect Human rights fair to all employees in the company. These Code of conduct are implemented through our company's human resource policies.

<ul style="list-style-type: none"> <li><b>Action implemented in 2011</b></li> </ul>	<ul style="list-style-type: none"> <li>- By virtue of operating in Malaysia, we are regulated by:             <ul style="list-style-type: none"> <li>o The Employment Act, 1955</li> <li>o Industrial Relations Act, 1967</li> </ul> </li> </ul> <p>These two Act's protect the interests of the employees in TFP</p>	<p><b>Measurement/Outcome:</b></p> <p>Constance monitoring and compliance to the laws</p>
<ul style="list-style-type: none"> <li>Action planned for in 2012</li> </ul>	<ul style="list-style-type: none"> <li>- Code of Ethics &amp; Conduct for Employees - We also plan to implement Code of Ethics &amp; Conduct for all TFP employees.</li> </ul>	<p><b>Measurement/Outcome:</b></p> <ul style="list-style-type: none"> <li>• Introduction of a new Employee handbook describing codes of ethics Circulated to every employee.</li> <li>• New recruits are informed about the policy during induction course and conducts by employees.</li> </ul>

LABOUR	
PRINCIPLE 3	BUSINESS SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE REGOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING
PRINCIPLE 4	BUSINESS SHOULD SUPPORT THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOUR
PRINCIPLE 5	BUSINESS SHOULD SUPPORT THE EFFECTIVE ABOLITION OF CHILD LABOUR
PRINCIPLE 6	BUSINESS SHOULD SUPPORT THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION

### Our Commitment or Policy

TFP Solutions are committed to be an equal opportunities and anti-discriminatory employer, promoting and providing for an equal and fair opportunity in employment, compensation and other terms and condition of employment. The guidelines and policies include:-

- Non-discrimination on the basis of gender, marital or parental status, race, age, impairment, religion, pregnancy or breastfeeding, colour, national origin, former military status, sexual orientation or any other personal characteristic protected by law.
- Zero tolerance towards physical or verbal discriminatory harassment in the workplace.
- Performing unbiased and constructive employee evaluations.
- Respecting the rights of employees to freedom and association.

### A brief description of our Processes or Systems

We have adopted and practiced Human Resources (HR) SOP. The HR SOP covers recruitment & probation, performance management, disciplinary and domestic inquiry, training & development.

<ul style="list-style-type: none"> <li>• <b>Action implemented in 2011</b></li> </ul>	<p>The Management constantly reviews the following:</p> <ul style="list-style-type: none"> <li>• -salary &amp; remuneration</li> <li>• -hours of work</li> <li>• -staff allowance</li> <li>• -Group insurance coverage</li> <li>• -medical benefits</li> <li>• -other staff benefits</li> </ul>	<p><b>Measurement/Outcome:</b></p> <p>Constance monitoring and employees surveys being conducted to ensure employees satisfaction</p>
	<ul style="list-style-type: none"> <li>- TFP abides by Malaysian Labour Law where forced and compulsory labour is prohibited.</li> <li>- Observes Children and Young Persons (Employment) Act, 1966</li> </ul>	<p><b>Measurement/Outcome:</b></p> <ul style="list-style-type: none"> <li>• TFP didn't hire anyone against their own free will.</li> <li>• There are no children or young person's working for TFP.</li> </ul>

### **Actions implemented in the 2011**

Internal career planning whereby staff performance is recognized and priority is given to promotions from within the organization whenever possible, when filling job vacancies.

In TFP, the development of a continuous learning environment is a necessity in a knowledge based organization. As such, in TFP, we sponsored employees to enhance job knowledge and develop professional skills, by encouraging employees to undertake various types of training programs to enhance their technical and soft skills sponsored by the company. We believe employees well-equipped with confidence are motivated to carry out their duties and responsibilities, subsequently create a sense of mutual accomplishments.

We ensure every employee has a contract of employment stating the terms and conditions of service.

- We ensure every employee has a current job description.
- We ensure grievance channels and procedure are available.
- We provide a flexible working hour, if required.
- We integrate Key Performance Index into the staff performance appraisal.

### **Measurable Results or Outcomes**

- We adopted Key Performance Indices as relevant metrics for staff performance evaluation and job promotion.
- We provide equal career growth opportunity to both male and female employees
- There are a total of 15 internal and external courses/programmes conducted in the year of 2011

### **Target for future years**

TFP will maintain our effort and activities to comply with the Global Compact Principles of 3, 4, 5 and 6.

ENVIRONMENT	
PRINCIPLE 7	BUSINESS SHOULD SUPPORT A PRECAUTIONALRY APPROACH TO ENVIRONMENTAL CHALLENGES
PRINCIPLE 8	BUSINESS SHOULD UNDERTAKE INIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY
PRINCIPLE 9	BUSINESS SHOULD ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES

### **Our Commitment or Policy**

TFP are committed to greater environmental sustainability by ensuring our work space and work culture embraces the principles above.

### **A brief description of our Processes or Systems**

We have adopted a policy of "Reduce, Reuse, Recycle" principle, in maximizing efficient usage of resources, waste production and where possible reduce our company carbon footprint. We also ensure that our products that we market to our customers are in compliant to the globally accepted environment standards.

### **Actions implemented in the last year / planned for next year**

TFP have carried out the following approaches in promoting environment sustainability in our organization. The approaches are as follows:

- The implementation of electronic leave system to reduce the use of paper-based application form.
- Implemented centralized file sharing to store electronic documents or image of paper documents.
- Implemented electronic fax transmission to reduce the wastage of paper.
- Segregation of waste for recycling purposes.
- Encouraging employees to recycle used papers, printing "double-sided" and configure "Greyscale" mode as default setting in all printers.
- recycling printer cartridges and any reusable parts of electronic items, e.g. computers, keyboard
- Set air-conditioning units to 24°C or 25°C, and turn off air-conditioning units where possible.
- Carrying out daily routine checks and ensuring all office equipment e.g. printers, air-conditioning units, computers, to be turned-off where possible, after working hours.
- Monitor usage of electricity for every department to ensure reduction of carbon footprint in the organization
- Raise awareness of environmental issues by implementing training programmes for employees and enlist their support in improving the Company's performance
- We promote our Green computing with IT products which are compliant with the Energy Star standard. Energy star is a program by U.S. Environmental Protection Agency that is designed to promote and recognize energy-efficiency in monitors, climate control equipment, and other technologies

**Measurable Results or Outcomes**

- Reduction in electricity bills by the organization by 5% in 2011.
- Increase our income by selling all recyclable items to recycling vendors. This income has been increasing year on year.
- Reduction of paper usage by 5% in 2011

**Target for future years**

- Our target is to strive and look into methods to reduce carbon emission in our organization. The KPI set in 2011 will be re-introduced in 2012.

<b>ANTI-CORRUPTION</b>	
<b>PRINCIPLE 10</b>	<b>BUSINESS SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY</b>

**Our Commitment or Policy**

TFP is committed to observing the principal set forth in the UN Global Compact and shall do full compliance with the Malaysia Anti-Corruption Act 1997.

**A brief description of our Processes or Systems**

TFP intends to introduce Code of Ethics & Conduct for Employees in relation to principle.

**Actions Implemented in the last year / planned for next year**

- The Code is distributed to every employee upon joining and explanation is given during the induction course.
- A secure channel of communication is set-up for employees, suppliers, contractors and other external parties to report any misconduct done by any employees.
- We shall disseminate and provide a briefing to create awareness on the SOPs and Code of Conduct to all of the employees.

TFP management is committed to conducting reviews and follow up compliances to ensure that there will be no conflict of interests.

**Measurable Results or Outcomes**

There have been no such incidents involved our customers and related parties.

## **Target for future years**

In 2012, we shall seek to comply and would have conducted extensive in person training for employees in the highest risk role and we shall make due diligence materials available to all employees including guidance, process flow chart and check list in relation of anti-corruption.

**How do you intend to make this COP available to your stakeholders?**

***A COP is a direct communication from business participants to their stakeholders. For this reason, you are required to make their COP widely available.***

Our COP will be accessible to our staff, customers and suppliers, and the general public on our website [www.tfp.com.my](http://www.tfp.com.my).

Our Annual Report will indicate our commitment to the UN Global Compact.

Signed by,



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**Alex Lim**  
TFP Group MD