UN GLOBAL COMPACT COMMUNICATION ON PROGRESS



ECBIZNET INCORPORATED 2012 COP REPORT

(Summary Edition)

"Building a global organization demands future-optic communications and information technologies which transcends geographical and political boundaries"

Erskine R. Curry -Chairman/CEO



United Nations Global Compact Communication on Progress

Period covered by Communication on Progress (COP) 15th November 2011 to 15th November 2012





Communication on Progress (COP)

As you are perhaps aware, this document is a direct "*Communication on Progress*" as detailed and reported by Mr. Erskine R. Curry *–Chairman/CEO* of ECBIZNET INCORPORATED and/or its affiliated entities as required by the UN Global Compact.

- (i) <u>This Communication on Progress</u>: addresses pressing issues and identifies trends being promoted by ECBIZNET INCORPORATED and/or its affiliated relating to current, developing and near-future business opportunities in the media, telecom, web and wireless industries.
- (ii) <u>This Communication on Progress</u>: measures individual projects progress and the collective progress, it measures our corporate integrity and it takes a deep look at the companies' performance and disclosures are, inclusive of our committed operations which are aimed at adhering to the Global Compact framework too. This Communication on Progress is a statement of our progress based on industry standards and our international commercial status.
- (iii) <u>This Communication on Progress</u>: is an invaluable source of information on what ECBIZNET INCORPORATED and/or its affiliated entities is already doing in certain areas and it relates to what we are developing and it also focuses on innovative ways for ECBIZNET through its emerging corporate culture to contribute to UN goals; particularly those broadband initiatives of the Millennium Development Goals (MDG) -pertaining to the Connect Americas, the Connect the Caribbean initiatives and the Connect America National Broadband Plan.
- (iv) <u>This Communication on Progress</u>: is used to identify resources which ECBIZNET INCOPORATED and/or its affiliated entities can and will be using to contribute to deploy innovative solutions or projects to achieve additional progress.
- (V) <u>This Communication on Progress</u>: is a collaborative effort between the UN Global Compact and ECBIZNET INCORPORATED; and this document is authorized for worldwide distribution in the mainstream financial community in order to be used or streamlined for promoting ECBIZNET's (a) Environmental, (b) Social and (c) Governance (ESG) through the disclosure of privately held corporate information which would have otherwise not being made available for disclosure. THIS DISCLOSED INFORMATION IS ONLY AVAILABLE AND MADE PUBLIC BY OUR COMMITMENT TO THE UN GLOBAL COMPACT.





As a privately held company ECBIZNET INCOPORATED has participated in the UN Global Compact for the first time commencing November 15, 2011. As a new stakeholder in the UN Global Compact ECBIZNET INCORPORATED has stood firm in establishing its Best Practice Policy and global business practices through ongoing support for the **Principles for Responsible Investments (PRI)** which reinforces our collaborative engagement as a participant of the UN Global Compact.

WHAT IS THE BENEFITS FOR ECBIZNET'S SUPPORT OF THE UN GLOBAL COMPACT?

In the past twelve months there were many good reasons why it made sound business sense for ECBIZNET to contribute towards implementing the Global Compact principles. Among the many progressive benefits for ECBIZNET included are:

- Progressive management of the direct cost of doing business
- Progressively harnessing new business opportunities
- Progressing with investments in a sustainable business environment
- Progress and adherences to internationally acceptable standards
- Proactive response and broader public recognition
- Procuring, partnerships and progress through related marketing
- International public relations opportunities
- Participating in social action, media, telecom, web and wireless development

Our growth through the Global Compact relies on our level of public accountability, transparency and the enlightened self-interest of domestic and transnational corporation, adherence to labor laws and getting involved in civil society to initiate and share substantive action in pursuing the principles upon which the Global Compact is based. The new face of our corporate image is emerging as a PVO (Private Volunteer Organization).

Using the various elements of this Communication on Progress we've undertaken every effort possible which has made this Communication on Progress a suitable channel to convey the company's growth, our return on capital, CAPEX and OPEX risk management which best demonstrates ECBIZNET's current and future adherence to ESG Value Driver Framework.

Acting on advice handed down today, we are happy to report how ECBIZNET INCORPORATED and/or its affiliated entities through the adaptation standards set by the UN Global Compact and the use of investment grade papers has spawned growth and spurned Nay Sayers! We have emerged as a proven stakeholder who is fully compliant with ESG value drivers.

Our economic philosophy has had a material impact on promoting and exploring **US-Markets**, **Central American and Caribbean-based** opportunities in the media, telecommunications, web and wireless sector; and additionally, we're moving our business forward in the mobile device manufacturing sector in Asia. We are ending the year with high-impact social media and web-centric marketing. We're blazing new trails through FDI in **China** and targeted Free-Trade Zones projects in the **Bahamas and South Florida**. We are promising major buy-out and/or investment in telecom service provider(s) in **Costa Rica**, **Dominican Republic**, **Ecuador**, **Belize**, **Nicaragua**, **Bahamas**, **Honduras**, **Haiti**, **Jamaica**, and the **Cuban American** international trade markets etc.





Our permanent mission to the *Educational and Religious communities* across the region; is spearheaded by Carold Casimyr CFO of our inter-faith operations. Under his humble guidance, advise and consultation ECBIZNET has launched ReachOut Media; resulting in our long-term commitment to our development, our financial and human resources -which uses the power of the media to unite families, neighborhoods and even entire communities by closing the digital divide through provisioning ubiquitous Wi-Fi and new-media services.

<u>At the US-Domestic level:</u> ECBIZNET INCORPORATED and/or its affiliated entities are minority/women/veteran-owned business certified: with 8a small-business administration certification, HUB Zone –Historically Underutilized Business Zone certification, MBE –Minority Business Enterprise certification, SB –Small-Business Certification, SDB –Small Disadvantaged Business certification, Veteran-Owned Firm certification, WBE –Woman-Owned Business Enterprise certification, NWBOC –National Women Business Owners Corporation certification, National Minority Supplier Development Council certification, WBENC –Women's Business Enterprise National Council certification, State of Florida IXC/Reseller/Payphone certification and ECBIZNET INCORPORATED is a Hughes Network Satellite VNO certified service and platform solution provider. ECBIZNET INCORPORATED HAS ESTABLISHED interconnections with Huawei, Ericsson, Nokia Siemens.

<u>In Central America and The Caribbean:</u> much of our rapid growth in the Hispanic markets and telecom opportunities are direct result of our establishment of <u>CentrOTM</u> <u>Galleria de</u> <u>Telecomunicaciones</u> –an arm's length telecom Agency comprising a joint development and marketing relationship with international investor and world-renowned Rosa Philips, telecom industry mover-and-shaker -self-made millionaire Miguel Rodriguez.

<u>In China</u>: ECBIZNET established a strategic alliance with Sunjie Xu and Rainny Huang to manage the company's Asian-based design house and manufacturing plant operations. As communicated here; in this 2013 COP our overall, core value and business has been better than average expectations in terms of progress in the Asian market.

<u>In 2013 ECBIZNET INCORPORATED filed a Restated and Amended Article of Incorporation</u> in the state of Florida along with the formation of the Bahamian IBC known as <u>Associated</u> <u>Business Trust</u> (a profit sharing 40% stakeholder in ECBIZNET INCORPORATED) naming as ECBIZNET's principles: (i) Erskine R. Curry –Chairman/CEO, (ii) Ralph Wells –President and (iii) Rebecca Coffy –Executive Vice-Chairlady. The Associated Business Trustees selected by appointment the following individuals to its Board of Trustees:

- Erskine R. Curry Principle Trustee
- Rebecca Coffy Principle Trustee
- Ralph Wells Principle Trustee
- Carold Casiymr-Trustee/Stakeholder
- Ernest Moses-Trustee/Stakeholder
- Sunjie Xu- Trustee/Stakeholder
- Mario Archega-Trustee/Stakeholder
- Rosa Phillips-Trustee/Stakeholder
- Miguel E. Rodriguez-Trustee/Stakeholder
- Rainny Huang-Trustee/Stakeholder
- Jaime Orlando Jordan-Trustee/Stakeholder
- Standing members of Information, Communication Technology & Infrastructural Task-Force (ICTIT)-Trustee/Stakeholder
- Standing members of the Social Media Entourage-Trustee/Stakeholder





Additionally, ECBIZNET INCORPORATED Appointed Ernest Moses to the position of Chief Operating Officer along with Mario Achargo to handle the company's HR, CRM and Logistics requirements; thereby establishing the solely owned subsidiary Telecomventures[™] and Black Swan Consumer Electronics & Appliances Corporation as its Wholesale/Export/Retail Application Service Provider Division.

ECBIZNET INCORPORATED owns and operates the Caribbean World Broadcast Corporation (CARIMUNDO NETWORK) with primary studio's located at 1717 North Bayshore Drive, Suite 204 Miami, Florida –CARIMUNDO's VP of Broadcasting Division is Jaime Orlando Jordan.

In the online world ECBIZNET INCORPORATED launched its SIPx6 Platform with its core network in New York, Miami, London and acquisition of Grupo Continental and an addition to its global network.

The acquisition of Grupo Continental gives our affiliated entities a solid trunking footprint in the Central American region and by executive decree our interest in Grupo Continental provides us with continuous spectrum grandfathered into the following 5MHz frequencies allocations:

- a. Grupo Continental S.A: 809.000-809.4875 MHz TX 854.000-854.4875 MHz RX
- b. Multiservicios de Comunicaciones RF,S.A: 809.5125-809.7375 MHz TX 854.5125-854.7375 MHz RX
- c. Comunica MyT S.A: 809.7625-811.000 MHz TX 854.7625-856.000 MHz RX
- d. Microwave Frequencies 6.500-6.512.5 GHz TX 6.840-6.852.5 GHz RX
- e. Microwave Frequencies 905.025-906.000 MHz TX 917.000-917.900 MHz RX

It is expected for the synergy between these several operational centers to generate further profit incentives for ECBIZNET and to increase transparency and disclosure at both the local, regional and international levels of operation.

It is important to note ECBIZNET'S restated and continued interest and support for the ten UN Compact principles and for the broader initiative of the UN Global Compact remains steadfast. As an active participant in the UN Global Compact we are pleased to report "good news", "good-times" and our interaction with some "good-fellows". Each relationship along the way has been developed without corruption; -foreign or -domestic.

Being an emerging hi-tech enterprise in today's world requires an ability to leverage global principles for the sake of achieving local or regional public and private sector concerns. Over the past twelve months ECBIZNET INCORPORATED and affiliated entities has added to its agenda plans to on-board with several regional service provider/reseller organizations to which we attribute this communication on progress. We've prepared this COP in the true spirit of global progress which we have experienced over the past twelve months. ECBIZNET INCORPORATED and affiliated entities, in this COP exceeds the minimum requirements by pledging to make this COP widely available and this communications on progress accurately tells the story of:

- our advance transparency and accountability;
- our drive toward continuous performance and improvement;
- our efforts to safeguard the integrity of the UN Global Compact and the United Nations; and our efforts to help build a growing repository of corporate practices to promote dialogue and learning within the markets we serve.





With some degree of flexibility; this COP addresses ALL elements in detail:

- A statement by the chief executive expressing continued support for the Global Compact and renewing our ongoing commitment to the initiative and principles of Global Compact.
- A description of practical actions: We have established three relevant policies, we've undergone several business procedures, and we've promoted two regional plan of action with ongoing implementation of the Global Compact principles in ALL issue areas (BELOW)

ECBIZNET'S HUMAN RIGHTS POLICY STATEMENT

• Preamble

ECBIZNET INCORPORATED and/or its affiliated entities acknowledge and respect the principles contained in the Universal Declaration of Human Rights. ECBIZNET INCORPORATED and/or its affiliated entities 'Human Rights Policy reflects our commitment to conduct business in a manner consistent with these principles and to protect human rights within the company's sphere of influence. ECBIZNET INCORPORATED and/or its affiliated entities demonstrates global leadership in establishing responsible workplace practices, and endeavors to conduct its business operations in a manner which is free from complicity in human rights abuses. The Company's mission, vision, core values and corporate culture embody a commitment to ethical business practices and to being a good global corporate citizen and responsible industry stakeholder.

• Ethical Business Conduct

ECBIZNET INCORPORATED and/or its affiliated entities' policies require that its business be conducted with honesty and integrity, and in full compliance with all applicable laws. Company policies establish clear ethical standards and guidelines for how, where, why and with whom we do business and we've established 100% accountability. All of our company's known associates are required to obey the law and comply with specific standards relating to legal obligations, ethics, and business conduct. The Company has clear security, surveillance and accountability mechanisms in place to monitor and report on compliance with these directives.

• Protection of the Rights of Children

ECBIZNET INCORPORATED and/or its affiliated entities condemn all forms of exploitation of children. The Company does not support child labor abuse or exploitation of children, -and we promote the elimination of exploitative child labor. ECBIZNET INCORPORATED and/or its affiliated entities also support laws pending and duly enacted to prevent and punish the crime of sexual exploitation of children. ECBIZNET INCORPORATED and/or its affiliated entities will work to raise awareness concerning such exploitation, and will cooperate with agents of society and law enforcement authorities to address any such instances of exploitation of which the Company becomes aware.





• ECBIZNET INCORPORATED and/or its affiliated entities have a long history of supporting programs and partnerships which help at-risk young people and their families prepare for and find meaningful employment. ECBIZNET INCORPORATED and/or its affiliated entities will continue to focus on programs which help children break out of the cycle of poverty which makes them and their families vulnerable.

• Protection of the Rights of Associates

ECBIZNET INCORPORATED and/or its affiliated entities support and uphold the elimination of discriminatory practices with respect to employment and occupation, and promote and embrace diversity in all aspects of its business operations. ECBIZNET INCORPORATED and/or its affiliated entities further supports the elimination of all forms of forced, bonded or compulsory labor and the freedom of association and the right for non-managerial personal to choose a collective bargaining agent if desired. ECBIZNET INCORPORATED and/or its affiliated entities will also provide a smoke-free, competitive, out of the box, safe and healthy working environment for all its associates.

LABOUR

The adaptation of new corporate and financial policies, along with our executive decision to increase pay-roll at the expense of diminishing profits was a promise made –and a promise kept! In 2012 we increased pay-roll, to include fringe and other employee and management benefits by more than 150 million dollars increase. The allocation of this increased revenue helped to encourage key personal to remain committed to our vision, our mission and our values. More than 95% of our current labor force strives to make it a labor of love. The practice of profit sharing, VIP management fringe benefits along with our quest to be the highest ranking pay-master in the industry became an added value based on competitive intelligence reports. Increase pay to employees helped to improve the overall net worthiness, purely economic -and socio-economic value ("Values") of our corporate family.

ENVIRONMENT

ECBIZNET INCORPORATED and/or its affiliated entities undertake initiatives to promote greater environmental responsibility and in so doing; by the end of 2012 ECBIZNET INCORPORATED and affiliated entities would have committed current and future profits to the purchase of more than \$15,000,000 (fifteen million dollars) in carbon credit and furthermore encourages the on-going development and diffusion of environmentally friendly technologies in our business operations.

OVERALL; CANTO IS A GOOD STRATEGIC PARTNER FOR ANTI-CORRUPTION AND THE CHALLENGE OF ECBIZNET'S PROPOSED "COOPETITION STRATEGY WITH CANTO"

As a Caribbean-Centric organization ECBIZNET INCORPORATED and/or affiliated entities turned to; the Caribbean Association of National Telecommunications Organizations (CANTO) to do its part in alleviating the pain related to the high cost of broadband and other telecommunications services in the region. The need for development of a more effective MVNO regional policy would open the door to emerging small businesses and would have the benefits of a more competitive marketplace in the mobile space.





Our interest in the Caribbean and Central American region is being tailor-made to prevent ECBIZNET INCORPORATED and/or affiliated entities from experiencing the most common pitfalls of coming face-to-face with adverse market influence or avoidance of full adherence to the Specially Designated Nationals List (SDN) and full and complete adherence *Foreign Corrupt Practices Act* of 1977.

Rather than creating un-fair competition or encouraging existing duopolies we seek to promote a coopetition strategy which over time would prove to be anti-corrupt.

- ECBIZNET: Miami; Erskine R. Curry Chairman/CEO asked the 2012 CANTO Conference the 64 million dollar question: In a "connected world" would you rather be a "Service Provider", a "Small-business", or an "End-user"???
- Pointing out the fact: remained CANTO of its 23 year old challenge (Back in 1989) which called for Caribbean Telecom Operators to Significant reduce the cost of broadband and telecom services in the region. Today the cost of telecom services and broadband is increasing not decreasing as it should be.
- In a second reminder to CANTO Curry recalled the other 23 year old challenge which called for Caribbean Telecom Operators to seek harmonization ... and embrace the MDG Broadband Initiative: which in his opinion is an initiative which is already too little, too late! "As it stands right now -we are already a day late and a dollar short" -says Curry.
- Making the recommendation for CANTO to also be mindful of another 23 year old challenge Curry thanked Caribbean Telecom Operators in the region for leading the way in ending government monopolies ...to which he noted; he was happy to observe there are fewer government monopolies in existence today than there were in yesteryear.
- Curry's went on to make allegations accusing key regional network operators (*such as Digicel and Cable & Wireless*) of operating existing "Duopolies". Curry has since gone on record as noting how a duopoly in any marketplace creates imperfect competition, influence market demands and suppresses the economic possibilities of sustainable revenue assurance. The government monopolies of yesteryear were bad for big businesses: "The duopolies, of today are bad (if not worse) for small businesses and end-users; and therefore duopolies are bad for all of us!" says Curry.
- Curry said; "To accelerate the broadband experience in the Caribbean -and to transform the way we live and do business in the region"; ECBIZNET INCORPORATED and/or its affiliated entities will be seeking the blessings of the CANTO Secretary General and the delegates of the 2012 CANTO conference to support ECBIZNET INCORPORATED and/or its affiliated entities in its' effort to lead a coalition of small businesses in aggressive legal action to rid the Caribbean of existing duopolies.

A MEASUREMENT OF OUTCOMES

In short, the degree to which ECBIZNET INCORPORATED and/or its affiliated entities deployed targeted performance indicators; how they were met -and the disclosure of other qualitative or quantitative, measurements of results are detail below.





CARIBBEAN-CENTRIC PERFORMANCE INDICATOR

ECBIZNET is now an active Associate Member of CANTO and is actively engaged in and is now positioned to provide fair market value, revenue assurance, regional and international consumer products and services to CANTO's one hundred and twelve (112) member companies spanning thirty-three (33) Caribbean countries. ECBIZNET is deploying the skilled service of more than 70,000 telecom industry professionals. Through its association with CANTO and Connect the Caribbean Initiative. ECBIZNET INCORPORATED and/or its affiliated entities through CANTO now has an effective marketable Caribbean reach of (i) 4.1 million fixed line telephone customers, (ii) 5.2 million connected mobile devices and (iii) 40 million Caribbean nationals through retailers, online e-tailers, underlying carriers and reseller organizations.

BOTH THE CARIBBEAN AND CENTRAL AMERICAN TARGETED MARKETS

In the Caribbean and Central American market we're leveraging our network with selected partnerships and acquisitions focused on; the delivery of high quality voice, data and video traffic. Via our CAT Interconnecxion[™] (Central American Teleport Interconnecxion) and as a vibrant stakeholders in regional technology initiatives ECBIZNET INCORPORATED and/or its affiliated entities are interconnected and form a corridor of communications for progress and added value to the *Connect the Caribbean, Connect Americas, Connect America Broadband Plan* AND regional harmonization policies governing ICT.

QUANTITATIVE SAVINGS FOR CALLS BETWEEN USA AND CARIBBEAN

At the outset we were focused on being a mere aggregator of technology products and services. As it now stands, we have been able to beef-up or product and service offering to become one of the most aggressive Hi-Tech Telecom Provider (HTTP) in the industry. Our SIPx6 VoIP Peering Platform now has the ready capacity to handles more than 2 billion minutes of use on a weekly basis. The measureable quantitative saving to American and regional consumers (end-users) in most cases could represent more than \$8 million dollars per day in actual shared retained savings and retail value for money over time.

QUALITATIVE SUPPLY AND DEMAND

As we now see it, -what will tomorrow bring? For ECBIZNET INCORPORATED and/or its affiliated entities;

- ✓ <u>Tomorrow will bring</u>: a great deal of technological advances in media, telecom, web and wireless industries; -with (i) on-air, (ii) online, (iii) mobile and (iv) on-demand systems poised to push millions of prepaid calling-cards/PINLESS retail accounts into the US-Marketplace, Central American and the Caribbean prepaid sectors.
- ✓ <u>Tomorrow will bring</u>: ubiquitous Wi-Fi for 32,000 academic and religious institutions.
- ✓ <u>Tomorrow will bring</u>: wholesale call terminate with an established 8-10 billion international minutes of use per month.
- ✓ <u>Tomorrow will bring</u>: for ECBIZNET INCORPORATED and/or its affiliated entities a global establishment which can lay claim to being the single largest digital asset management stakeholder of Caribbean-centric broadcast content.





- ✓ <u>Tomorrow will bring</u>: the global build-out of our IPTV network: creating for the Caribbean a global media brand of its own.
- ✓ <u>Tomorrow will bring</u>: management of an IPv6 enabled Top Level Domain (TLD) deploying web-based technologies for wholesale, retail and export markets.
- ✓ <u>Tomorrow will bring</u>: the ability for ECBIZNET INCORPORATED and/or it affiliated entities to operate as a leading transnational CRM and contact management center.
- ✓ <u>Tomorrow will</u>: fortify our position as the new leader in next generation customer care.
- ✓ <u>Tomorrow will bring</u>: an award winning status for ECBIZNET INCORPORATED and/or its affiliated entities as a forerunner in SEO and tomorrow will see ECBIZNET INCORPORATED and/or its affiliated entities as an engaging social media entourage.
- ✓ <u>Tomorrow will</u>: commence with operation & marketing of a cost effective MVNO product.
- ✓ <u>Tomorrow will:</u> "come" to "pass", with new laws being enacted.
- ✓ <u>Tomorrow will bring</u>: a marketplace where consumer shall pay more for less with a definitive option of prepaying less for more.
- ✓ <u>Tomorrow will</u>: is the future where boarder lines are morphed between state lines.
- ✓ <u>Tomorrow will bring</u>: network neutrality.
- ✓ <u>Tomorrow</u>: mobile devices will become carrier agnostic.
- ✓ <u>In the world tomorrow</u>: we believe all medium will be on-demand (without subscription).
- ✓ <u>Tomorrow</u>: we will witness a technology which goes beyond digital.
- ✓ <u>Tomorrow will bring</u>: connectivity where content across all network would be user generated (including the nightly newscast).

<u>In the tomorrow</u>: which we are building today; our progressive momentum today will run alongside tomorrow's economic indicators and our tomorrow will serves as a dictate which communicates progress only where we are committed to our international mission statement and subscribe to the business philosophy of *"Building a global organization demands future-optic communications and information technologies which transcends geographical and political boundaries"*.

Erskine R. Curry –*Chairman/CEO* ECBIZNET INCORPORATED

