

ACTGLOBAL

United Nations Global Compact **Communication on Progress**

Communication on Progress Table of Contents 2 August 2012 through 7 November 2013 **Executive Letter Corporate Profile Company History Promoting the United Nations Global Compact Human Rights** Principle 1 & 2 : Protection of human rights **Labor Rights** Principle 3: Freedom of association and collective bargaining Principle 4: No forced or compulsory labor Principle 5: No child labor Principle 6: Eliminate discrimination **Environment** Principle 7: Precautionary approach to challenges Principle 8: Promote greater responsibility Principle 9 : Develop and diffuse environmentally-friendly technologies **Anti-Corruption**

Executive Letter





Director Chris Clapham & Director John Baize

November 7, 2013

Dear Shareholders.

As Act Global prepares to celebrate its 10th Anniversary, we can look back proudly on how our company has grown and all we have accomplished. This past year was an exciting one for our company, as we launched a new web domain, enhanced our corporate branding, launched new product lines and expanded our global footprint with new partners and market segments. With the help of our staff and strategic partners around the world, we look forward to what we can accomplish together in the next ten years.

As our business expands, so does our commitment to investing in our employees, our social responsibility and our positive affiliations worldwide. This will be the sixth year that Act Global is a proud member of the United Nations Global Compact. It our responsibility and privilege to maintain honest, positive business practices, and the principles set forth by the United Nations Global Compact will continue to guide our future decision-making.

Best Regards,

Chris Clapham and John Baize Managing Directors



As one of the WORLD'S LARGEST producers of synthetic turf, we take quality SERIOUSLY.



Act Global is an innovation-driven company that designs and supplies world-class synthetic turf systems for sports, land-scaping, aviation (AvTurf) and landfill cover (LiteEarth). With installations in over 70 countries, and production facilities on three continents, 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.

What sets Act Global apart is our commitment to research, development, testing and staying at the forefront of the latest technology. Our vision to anticipate market needs and growing trends pushes us to continually advance our product.



GLOBAL PRODUCTION

Manufacturing facilities on **3** continents

Installations in over **70** countries

We are a dynamic, global synthetic turf company committed to the mission **Be More.**

Our mission to **Be More** is engrained in every facet of our business, from customer service, to maintaining a sustainable business model, to lending support to world aid organizations. We are continually focused on shaping our company to best serve the market, our customers and our planet.

Corporate Values

OUR TEAM | Be More.



Our commitment to outstanding customer service stems from our worldwide network partners and staff. Their proven quality, timely services and reputation for integrity are true extensions of the Act Global family.

TECHNOLOGY | Innovate More.



Our synthetic turf technology is unrivaled. We engage in ongoing research, development and hundreds of laboratory and field tests to ensure a superior product, every time.

GLOBAL OUTREACH | **Give More.**



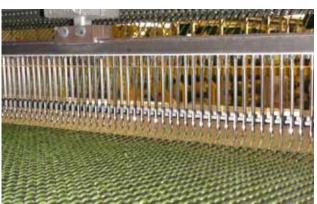
Act Global continuously supports charitable and world aid organizations around the world. We believe that it is our responsibility and privilege as a company.

ENVIRONMENT | Protect More.



Act Global invests in maintaining environmentally friendly turf products through responsibly sourced raw materials and green business practices.

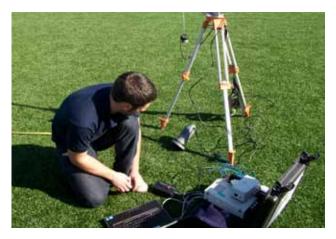
















Manufacturing

With large capital investments in production facilities around the world, Act Global is dedicated to the artificial turf industry. 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.

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



Expert Installation Partners

Our synthetic turf projects are carefully installed by trained experts to ensure long-term quality and satisfaction. We have installation partners in 70 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.

ISO 9001 Quality Certification



Act Global adheres to strict international standards proven to increase quality. We maintain state of the art operations, and perform ongoing and

proactive maintenance on the machinery and plant floor. To ensure each order is of the highest quality, our staff manually inspects every turf roll coming out of production. Strict quality controls, reporting and annual audits keep our operations lean, clean and accountable.



ACT GLOBAL INDUSTRY LEADER

- FIFA Preferred Producer for Football Turf
- Certified Synthetic Turf Council Manufacturer
- ISO 9001 Quality Certification
- Stable financial condition
- · Complete ASTM, UV and Lisport Durability testing
- Worldwide industry and charitable partnerships



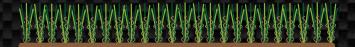
ACT GLOBAL IS A FIFA PREFERRED PRODUCER FOR FOOTBALL TURF

GLOBAL PRODUCTION

- ullet Manufacturing facilities on $oldsymbol{3}$ continents
- Installations in over 70 countries



Dedicated research and development facilities



TURF DEVELOPMENT BASED ON NATURAL GRASS BENCHMARKS AND BIOMECHANICAL STANDARDS



Obtain user and client feedback to validate our manufacturing processes, and adjust product strategy accordingly.

Vision to ANTICIPATE market NEEDS and TRENDS



Product Range

PERFORMANCE-BASED DEVELOPMENT

Act Global has engineered an innovative product range for a wide variety of uses including football, golf, field hockey, baseball, tennis, American football, landscaping, aviation (AvTurf) and landfill cover (LiteEarth). We start by analyzing the biomechanical needs of the athlete or user. We then conduct extensive research and development to match the right combination of grass fiber, backing, turf coating, infill, installation and maintenance methods.













HUNDREDS OF TESTS at numerous stages of development verify lasting **PERFORMANCE** and **DURABILITY.**

MATERIAL TESTING: Melting point, breaking strength, tuft bind strength, elongation, denier, thickness & width.

DURABILITY TESTING: Extensive UV & Lisport testing confirm superior performance and strength.

PERFORMANCE TESTING: Ball to surface interaction (ball roll & bounce) and player to surface interaction (shock absorption *g*-max, traction, footstability, slip resistance & skin abrasion).

FIELD QUALITY TESTING: Accredited testing institutes confirm final base construction and installation quality.





By choosing a FIFA Preferred Producer, a customer is not only selecting the best synthetic turf on the market, but an entire process executed to the highest quality standards.

- Product tested against BEST NATURAL GRASS BENCHMARKS
- Sub-base installation is GUARANTEED TO THE HIGHEST STANDARDS
- Start to finish QUALITY CONTROL CONFIRMED BY FIFA INSPECTORS
- Guaranteed quality standards marked by FIELD TESTS "FIFA 1 OR 2 STAR"
- Expert maintenance to ENSURE THE LIFETIME OF THE INSTALLATION





Natural grass benchmarks for baseball, football and American football surfaces

TEST METHODOLOGY - BENCHMARK NATURAL GRASS

LOCATION – New York Yankees and Houston Astros spring training facilities, top European natural grass soccer stadium and Kyle Field at Texas A&M.

CONCLUSION – Parameters set by FIFA Quality Concept fall within the test results. Act Global's Xtreme Turf systems have proven performance comparable to top natural grass for the major sports.

Company History



Act Global

- Founded in February 2004 as Global Sports Systems
- Management team with extensive industry experience in each functional area
- Sales in over 70 countries through exclusive distribution partners
- Excellent reputation for quality, strong relationships, integrity and expertise
- Worldwide industry and charitable partnerships
- Only company holding all three certifications, FIFA Preferred Producer for Football Turf, Synthetic Turf Council Certified Manufacturer and ISO 9001

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 industry to gather the basic principles to action for continued communal growth.

- We will maintain a current copy of our latest Communication on Progress archived on our company website www.ActGlobal.com, for the public to view and download.
- We display the United Nations Global Compact Support logo in our marketing materials and efforts
- Act Global is committed to building personal relationships with customers, and promoting our support of 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; support to CARE
3	Labor Rights - Freedom of association and collective bargaining	Yes	No issues
4	Labor Rights - No forced or compulsory labor	Yes	No issues, ISO 9001 Certification
5	Labor Rights - No child labor	Yes	No issues, support to World Vision
6	Labor Rights -Eliminate discrimination	Yes	No issues
7	Environment – Precautionary approach to challenges	Yes	Contributions to water saving and environmentally-friendly technologies
8	Environment – Promote greater responsibility	Yes	Extended support of Conservation International, LEED credit education
9	Environment – Develop and diffuse environmentally-friendly technologies	Yes	LiteEarth environmental solutions
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 advocates human rights and equal opportunities worldwide. We display posters and have educational materials available for all employees regarding the Occupational Safety & Health Association, Employee Rights, and Workers Compensation. We maintain a comfortable,

safe and professional working environment for our employees and partners, and full-time employees are offered medical insurance benefits. We foster an open culture by encouraging regular communication amongst employees.

Act Global also 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.

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 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 fosters an open environment and welcomes open dialogue and association among team members, without interference from our management.

Measurement:

Our company policies clearly indicate our compliance with these issues. Act Global 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 upholds a zero tolerance policy to all forms of forced and compulsory labor. 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, and treat all our worldwide partners with the same open courtesy and respect. Our US facility is ISO 9001 Certified for Quality.

Measurement:

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

Principle 5Businesses should uphold the effective abolition of child labor.



Actions and Achievements:

Child labor is cruel and inhumane and our company does not tolerate this type of behavior. All of our employees are hired within the legal working age and do so by consent of both parties. We establish a comfortable working environment to ensure our employee's happiness.

We extend assistance and support to World Vision, a Christian humanitarian organization dedicated to working with children, families and their communities worldwide to reach their full potential by tackling the causes of poverty and injustice. Children should be brought up in a loving and educated environment in order to grow up as strong individuals.

Measurement:

Our hiring guidelines and practices clearly outline our policies against child labor. We implement a strict evaluation process when working with outside suppliers and partners to ensure their practices align with these standards.

Labor Standards

Principle 6

Businesses should eliminate discrimination in respect of employment and occupation.



Actions and Achievements:

To be a successful global company, Act Global accepts and embraces diversity. We believe in building lasting, honest relationships, and our worldwide network of partners and suppliers in over 70 countries are truly an extension of the Act Global family. We also have offices stationed in the Netherlands, United Kingdom, Malaysia, France, Poland, Cyprus, as well Texas, Arizona and Georgia, USA.

We treat every person, in every regional market, with a mutual respect. With this understanding between our valued stakeholders and Act Global we are able to develop an open 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.

Measurement:

We will maintain documentation of all complaints and issues.

Enviornment

Principle 7

Businesses should support a precautionary approach to environmental challenges.



Actions and Achievements:

At Act Global, we are committed to keeping our planet healthy. We continually invest in maintaining environmentally friendly business practices, and have an established recycling program at our manufacturing facilities that reclaim every byproduct of our turf production - fiber, turf, backing, cardboard, plastic and wood. All Act Global raw materials are responsibly sourced, and our turf is proven safe for lead and other hazardous products.

There is an increasing demand for environmentally-friendly products, and synthetic turf fills this need. Global water supplies are shrinking, and communities across the world are facing challenges in maintaining healthy and affordable water. Every square foot of natural grass replaced with synthetic is estimated to save 55 gallons (208 liters per square meter) of water per year. In total, synthetic turf conserves three to six billion gallons (11.36 billion to 22.71 billion liters) of water a year. (source: Synthetic Turf Council).

Environment

Principle 7 continued...

Pesticides are widely used in commercial agriculture, as well as home and garden use, and are a growing public concern. By using artificial grass for lawns, landscaping and sports, we can help prevent the growing number of pollutants in our environment.

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 labels on all our artificial turf rolls.

Principle 8

Undertake initiatives to promote greater environmental responsibility.



Actions taken & Achievements:

Act Global continues to support environmental organizations such as Conservation International. In addition to Act Global's immediate involvement with environmental organizations 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, the Leadership in Environmental Design (LEED) organization designates products as "green friendly" by obtaining points through environmentally-conscious organizations.

Measurement:

Act Global makes measurable monetary donations to global environmental organizations. Records of LEED credit projects, energy consumption and water consumption maintained.

Environment

Principle 9

Businesses should encourage the development and diffusion of environmentallyfriendly technologies.



Actions and Achievements:

Act Global continually invests in new technologies and products. We recently released a new environmental synthetic grass liner called LiteEarth, which is used for long-term closure of landfills and coal ash sites. LiteEarth protects the environment by trapping landfill gases, conserving natural resources, saving water and offering a lower carbon footprint versus traditional soil landfill covers. It also eliminates the use of environmentally damaging fertilizers, pesticides, fungicides and mower exhausts required for natural grass maintenance.

Act Global regularly communicates to its stakeholders and the public regarding the importance of environmental soundness, best practices in energy and resource efficiency, waste reduction, renewable resources, and the use of cleaner production.

Measurement:

LiteEarth can reduce carbon footprint by 80% over traditional landfill covers.

Anti-Corruption

Principle 10

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



Actions and Achievements:

Act Global does not condone any form of corruption, extortion and bribery. 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 management and documented.

Act Global's products and services are available through a distribution network in over 70 countries.



4201 West Parmer Lane Suite B 175 Austin, Texas 78727 USA **EUROPE**

Dinxperlosestraatweg 50 7122 AH Aalten The Netherlands ASIA | MIDDLE EAST | AFRICA

P.O. BOX 53191 Limassol 3301 Cyprus

SALES OFFICE

USA - Arizona, Georgia and Texas ASIA- China and Malaysia

EUROPE - Netherlands, United Kingdom, France, Poland and Cyprus