

**United Nations Global Compact  
Communication on Progress**







## **Communication on Progress** **8 April 2009 through 30 April 2010**

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Directors Wil Ditzel, Chris Clapham and John Baize

## Executive Letter

April 30, 2010

Dear Investors,

We are honored to be recognized as a perpetual member of the United Nations Global Compact. As confirmation, ACT Global Sports is doing everything we can to ameliorate the synthetic turf market and the worldwide communities we serve. The past twelve months have been no exception to our continued growth and involvement of the Global Compact's principles.

As a world leader, we take great strides to follow legal and humanitarian principles in the marketplace, environment, community and workplace. Headquartered in the United States with offices in Europe and Asia, we embrace the diversity of our market and adjust our policies to suit assorted cultures. Through the principles established by the Global Compact, we stand as role models in our endeavors as an artificial turf manufacturer and societies worldwide.

Our implications of the Global Compact has been wide received through press releases, ActGlobalSports.com and presentations. Affirmative feedback has influenced our drive and focus as a company. Through evolved execution of the principles set by the United Nations Global Compact, we anticipate our efforts will inspire others to make a difference in their industry as well as the world. Together we can make a change for the greater good.

Best regards,

A handwritten signature in black ink that reads 'John Baize'.

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 AC Turf brands. With installations in over 50 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.

**Innovation. Quality. Value.**

## 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 offices in Texas and Georgia, USA, Thailand, China, Australia, France, Poland, the Netherlands and Cypurs.







### **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**

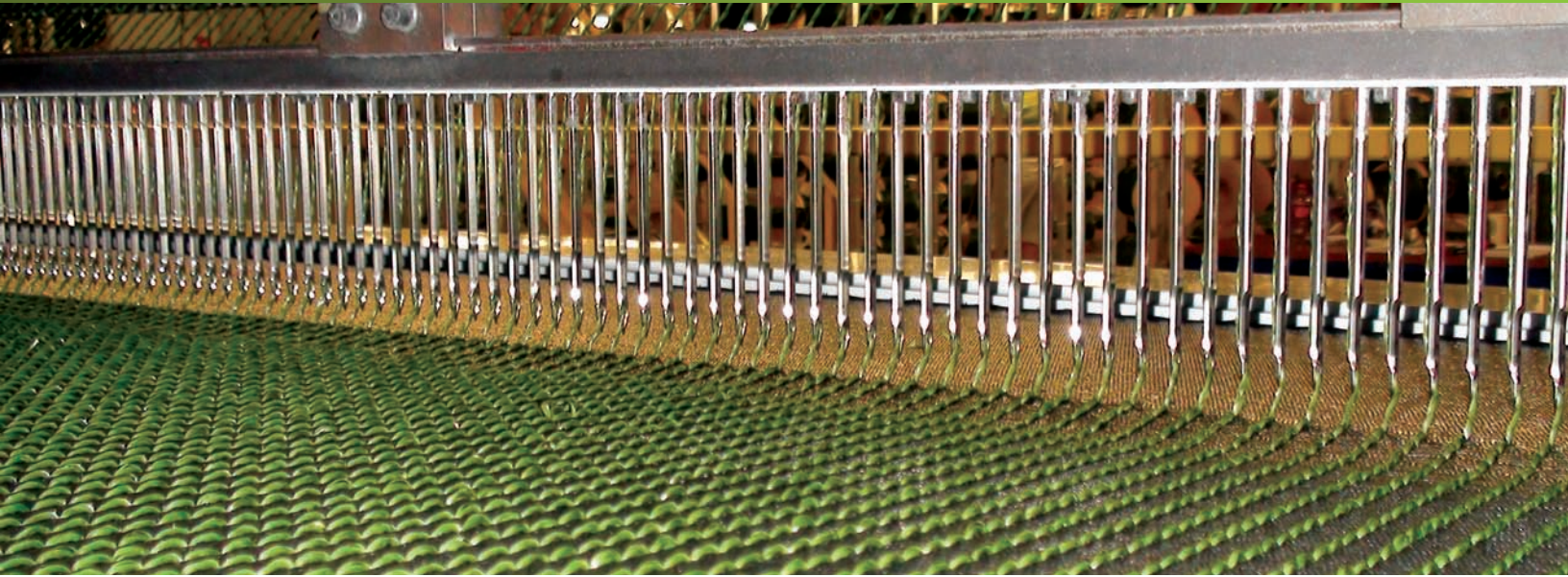
We recognize that our society and artificial turf industry are important stakeholders in our business. Our commitment to environmentally-friendly products and manufacturing is evidenced by our ISO 14001 environmental certification. We are a participating member of the United Nations Global Compact and 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. Our manufacturing facilities in USA, Asia and Europe occupy 120,000 square meters (1,300,000 square feet) of property. 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 over 50 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.



**“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.”**



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





New Product

5 Year Wear

10 Year Wear

## 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, 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, 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 seven 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.

# United Nations Global Compact - Communication on Progress

## Company History

- Founded in February 2004 as Global Sports Systems
- Management team with extensive industry experience in each functional area
- Sales in over 50 countries through exclusive distribution partners
- Excellent reputation for quality, strong relationships, integrity and expertise
- 6 years of marketing reinvestments provides excellent platform for future growth

## Promoting the United Nations Global Compact



Honored to be part of the United Nations Global Compact, we have advertised our active participation in over 50 countries. The United Nations Global Compact Support logo is presented throughout our marketing materials to include our blog, website, brochures and banners. Our Communication of Progress is viewable on our website and presented during meetings. We appreciate the value of a grass roots marketing approach and feel our ideas are effectively received in this manner. In this approach we hope to inspire others to make a difference in the world by administering the principles of the Global Compact in their own business.

Our goal as a world leader in synthetic turf research for the Communication of Progress, is to educate and encourage other companies in the artificial grass market to gather the basic principles to action for continued communal growth.

#	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	No issues
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	Continuous support of Care and World Vision
9	Environment – Develop and diffuse environmentally-friendly technologies	Yes	Offset carbon footprint through Carbonfund.org and continued donations to Greenscapes
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 complicit in human rights abuses.**

#### **Actions and Achievements:**

In order to operate a strong business, a corporation should have a solid backbone, their employees. We respect the voice of our employees and advocate human rights and equal opportunities worldwide. With a solid understanding and dedication to human rights, training under proper code of business ethics and procedures, we ensure ACT Global does not violate any human rights.

ACT Global Sports values the professional relationship with our employees. We keep lines of communication open and encourage the exchange of ideas to improve our working environment as a team. This system of trust and understanding grants our employees the opportunity to openly communicate areas of concern. In addition, we practice this method of team building throughout our offices worldwide and with valued partners. Though a circle of trust we are able to work in a healthy environment free of restrictions.

## 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 abides the practice of freedom of association and effective recognition of the right to

collective bargaining. These rights are clearly noted in our employment policies. We encourage individuality within the workplace. This dynamic chemistry ensures benefits for both the employee and employer while aiding the artificial turf market and improving society.

To carry this philosophy we occasionally hold meetings where key issues regarding work environment and expectations are discussed. Through complete understanding and consideration for our employees work duties and expectation we thrive as a team. The profits of our organization profit each and every individual collectively.

Our employees and partners associate freely, in good faith, without interference from our management. There is no discrimination on grounds of membership in a labor union.

### Principle 4

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

#### **Actions and Achievements:**

ACT Global Sports does not support compulsory labor. We understand the exploitation of labor is illegal and unacceptable. Awareness is raised amongst our corporation and employees through articulation of expectations regarding pay, work hour and duties. To ensure a comfortable and fair working environment we welcome complaints and suggestions. These ideas are taken into consideration and implemented for improvement.

In addition, we conduct thorough research and screenings of all international partners to ensure they also conduct principles similar to the United Nations Global Compact. We take pride in our partners and only choose to work with the best in the industry. If any association or partner is in violation of forced and compulsory labor we will terminate our relationship with them.



## Principle 5

**Businesses should uphold the effective abolition of child labor.**

### Actions and Achievements:

ACT Global Sports frowns upon child labor and does not contribute in any shape or form. To fight the battle of child labor we've prolonged our donated support to World Vision. World Vision is a humanitarian organization that supports children with the necessities to survive, education, as well as moral support. These children lack the assistance and support needed to overcome economic crises. ACT Global Sports stands as their voice for compassion and change.



Children need inspiration and encouragement to prevail in their studies to grow up as strong individuals to survive in the world. Child labor is a horrible practice recognized worldwide. We strongly encourage others to review this issue and do whatever they can to stop child labor.

## Principle 6

**Businesses should eliminate discrimination in respect of employment and occupation.**

### Actions and Achievements:

We are a global company with offices in the Texas and Georgia, USA, Thailand, China, Cyprus, France, Poland, The Netherlands and United Kingdom. In addition our network expands over 50 countries. ACT Global embraces the wide diversity of cultures and in society as well as the workplace. This exposure truly develops our presences and practices as a well rounded and culturally diverse company. Multicultural existence and diversity directly impacts our organization as worldwide synthetic turf manufacturer as well as our stakeholders.

In continuation 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.

ACT Global continues to support CARE through yearly donations. CARE is a humanitarian organization that fights global poverty in part by providing economic opportunities to women in particular. We understand woman are the protectors of life and support for their communities. Through our donations, poor women are given the resources to nurture and overcome the struggles within their families and community. ACT Global strongly believes that with the help of CARE, these women can escape poverty and build enriched communities.





## Environment

### Principle 7

**Businesses should support a precautionary approach to environmental challenges.**

#### Actions and Achievements:

ACT Global Sports stands behind their innovation and commitment to environmentally friendly products and manufacturing. Our ISO 14001 environmental certification is recognized and accepted by our partners worldwide as a step toward green sustainability. Our synthetic turf products undergo strict environmental testing to include lead, mercury, zinc, cadmium, chromium, tin, toxicity, EOX, and DOC. Such testing ensures our products are safe and not hazardous to health or the environment. We carefully place hazardous labels on all our products notifying our market of such tests and environmental safety. Through research and conducted studies, ACT Global concluded our artificial turf products reduce water and reduce the use of pesticides. This in collaboration of our ongoing responsibility to the US Greenscapes program we aim to make a difference in the world.



As the market grows, so does the demand for green friendly products. We encourage our employees, professional partners, competitors and market to implement the best practices in energy and resource efficiency, waste reduction, renewable resources, and the use of cleaner production. Together we can take a step toward greater environmental responsibility.

### Principle 8

**Undertake initiatives to promote greater environmental responsibility.**

#### Actions taken & Achievements:

To prolong ACT Global Sports' procedures to encourage and improve environmental responsibility, we offset 140 metric tons (308,644 pounds) of CO<sub>2</sub> and invested in reforestation projects around the world through Carbon Fund. Our customers are also given the option to purchase carbon credits to offset the related production, transportation and installation activities of their order.

As an ongoing process we continue to support Conservation International. Their mission is to conserve the Earth's living heritage- our global biodiversity- and to demonstrate that human societies are able to live harmoniously with nature.

Our business ethics are to serve the environment in every aspect of our everyday routine. We design our products to preserve natural resources and prevent waste and pollution.

### Principle 9

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





### **Actions and Achievements:**

ACT Global Sports' synthetic turf products influence developers, general contractors and architects to gain LEED points. 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.

As a large part of our synthetic field turf installation, we continuously utilize recycled rubber as turf infill to stabilize our surface and take environmental diffusion a step further.

## **Anti-Corruption**

### **Principle 10**

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

### **Actions and Achievements:**

Integrity is the first and foremost fundamental of our business ethics. We continue to build relationships through open communication and honesty.

Our company policies strictly limits the amount of gifts that can be given or received by an employee or professional partner. Any policy or ethical violation that is detected by an employee must be immediately reported to upper management without fear of reprisals. We do not tolerate corruption or bribery in any shape or form. As we continue to keep open communication and build solid integrity values, we can ensure that our synthetic turf market will continue running in a corrupt-free business environment free from extortion and bribery.

ACT Global Sports products and services are available through a distribution network in over 50 countries.

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