

GLOBAL COMPACT 2010 ANNUAL COMMUNICATION ON  
PROGRESS



*Rideau*

RECOGNITION SOLUTIONS

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## General information

**Company Name:** Rideau Recognition Solutions Inc.  
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**Contact Position:** Marketing Director  
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**Date:** July 15, 2010  
**Membership Date:** February 11, 2005  
**Number of employees:** 275  
**Sector:** Other -Employee & Consumer Recognition Solutions

## **Brief Description of nature of business**

Rideau Recognition Solutions is North America's leader in enterprise incentive and performance management solutions that help corporations and public sector organizations recognize, reward employees and customers. Through this, companies are able to accomplish corporate goals such as increasing employee engagement, productivity, customer retention and ROI.

We offer a complete suite of outsourced recognition solutions, which includes, but is not limited to Service Awards, Performance Awards, Corporate Merchandising and Customer Loyalty programs.

We are a vertically integrated company, offering our customers end-to-end solutions, from program conceptualization, design and branding through to manufacturing, administration and global distribution.

## Statement of support

Rideau continually strives to be socially and ecologically responsible in its business operations and with its employees, partners, clients and community. To achieve such goals, Rideau aims for transparency in its operations, communication strategy and for effective measuring of results. It is thus natural for Rideau to be part of the United Nations Global Compact. Rideau fully supports the Global Compact and will continually seek to go further in maintaining its commitment regarding human rights and the environment.

Rideau abides by the Global Compact's 10 principles through its internal policies. With comprehensive rules and a code of conduct that are binding on all employees who must sign it on their induction into the company. Every new hire receives an employee manual to remind them of their rights, their obligation and their recourses in the matters (amongst others) of equal opportunity, reasonable accommodations to people with disabilities, harassment at work, health and safety, privacy, gifts and gratuities. Rideau is dedicated to continuous improvement and seeks to foster a positive work environment where employees feel safe and can thrive. In light of this, an anonymous annual employee survey is carried out every year and Rideau carefully follows up on the results.

Rideau sees the intrinsic link between respecting the environment and respecting human rights which is why Rideau's environmental program has greatly expanded over the years. The EcoAction team, comprised of employees representing each department of the company, has been active in fostering an environmental consciousness throughout Rideau and implementing new programs. The latest accomplishments include taking on a greenhouse gas assessment and becoming carbon neutral, offering weekly environmental lunchtime workshops for employees on paid time, various environmental contests and activities for employees and Rideau's commitment to planting trees for recognition awards recipients to benefit the environment.

Rideau is proud of being part of the UN Global Compact and I hereby affirm we will continue to improve our business practices in compliance with the 10 UN Global Compact's principles.

Yours truly,

A handwritten signature in black ink, appearing to read "Peter W. Hart".

Peter W. Hart  
CEO, Rideau Recognition Solutions

## Human Rights

### *Principal 1*

*Businesses should support and respect the protection of internationally proclaimed human rights;*

Rideau entirely supports and respects the Universal Declaration of Human Rights. Rideau abides to the UN Global Compact principles for the workplace and seeks to have its suppliers and partners comply.

### *Principal 2*

*And make sure that they are not complicit in human rights abuses.*

At Rideau, we abide by Global Compact's human rights principles through our internal policies. We have comprehensive rules and a code of conduct that are binding on all employees who must sign to it on their induction into the company. It protects the interests of the employee and other stakeholders.

Further, every new employee at Rideau receives an employee handbook delineating their rights, obligations and their recourses. The following are some of the subjects in relations to human rights addressed in our Rideau Employee Handbook.

### Equal opportunity

Rideau judges individuals by their abilities, not their disabilities; the company seeks to give full and equal employment opportunities to all people capable of performing successfully in the company's position.

Under company policy and federal and provincial/state laws, people with disabilities are entitled to reasonable accommodations that allow them access to company programs, jobs, services, and activities unless accommodation pose an undue hardship on the company. People with disabilities not only have a right to ask for accommodations, they are encouraged to do so by talking directly with their immediate supervisor and/or their Human Resources department.

### Harassment at work

Rideau is committed to maintaining a positive, fair work and educational environment, free from any kind of harassment. Sexual and/or psychological harassment of employees is a violation of

federal laws. Freedom from sexual and psychological harassment is regarded as an individual right. Any employee is subject to disciplinary action for violation of this rule. In conformance with this policy, Rideau ensures fair and impartial investigations that protect the rights of both the person(s) filing the complaint as well as the person(s) complained against. Furthermore, retaliation against anyone who makes a complaint of harassment or who is involved in a complaint process will not be tolerated.

#### Health and safety

Rideau has an ongoing interest in the health, safety and protection of all our employees and will make every effort to provide (and maintain) a safe and healthy work environment. It is the responsibility of every supervisor to ensure that safe and healthy work conditions are maintained. Also, the company encourages employees to take an active role in keeping an injury free workplace. Rideau is committed to comply with all health and safety regulatory and compliance needs and to implement processes and programs that improve our employee's knowledge about health and safety. We will not tolerate unsafe work practices or behaviors. Employees who engage in unsafe acts or behaviors in the work environment will be subject to disciplinary action. Rideau encourages its entire staff to get involved in safety awareness activities and recognizes employees for safety accomplishments and ideas. Rideau maintains policy and procedure regarding the company personal protective equipment required.

#### Privacy

Rideau acknowledges that employees have a fundamental right to privacy in the workplace and it is the company's stated belief that all employees should be treated with respect. While honesty and trust are the basis of an employee/employer relationship, the nature of our business and easy accessibility to valuable merchandise may require certain safeguard or actions to be taken to ensure against loss and theft. In the event of an immediate medical emergency, a safety threat, a reasonable suspicion of theft or other illegal activity, a search of an employee's personal belongings may be performed. This will be done in a responsible manner and that protects employee's privacy and dignity, it must be approved by senior management and, in the presence of Human Resources. Also, confidential matters between an employee and supervisor should not be discussed with co-workers unless they have a legitimate business reason to know. In the same way that employees do, clients also have a right to security of information. Rideau respects and will preserve this right. Confidential information will remain the exclusive property of Rideau and its subsidiaries. No employee shall use Confidential Information for any purpose which might be directly or indirectly detrimental to our clients, to Rideau or any of its subsidiaries.

All employees are aware of their duties and their rights which are strictly enforced.



## **Labor Standards**

### *Principal 3*

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

### *Principal 4*

*The elimination of all forms of forced and compulsory labor;*

### *Principal 5*

*The effective abolition of child labor;*

### *Principal 6*

*The elimination of discrimination in respect of employment and occupation;*

Rideau is committed to equal employment opportunity in every aspect of the employment policy and practice including selection, placement, training and career advancement. Rideau celebrates diversity and practices employment equity by participating in the Federal Contractors Program for Employment Equity (FCP-EE). In complying with the letter and spirit of application laws and pursuing its own goals of diversity, Rideau shall not discriminate on the grounds of race, color, religion, sex, sexual orientation, national origin, citizenship status, age, disability, or veterans' status in employment, education, and all other areas of Rideau. John Turner, Rideau's Chief Financial Officer, in conjunction with Isabelle Lavigne, Rideau's Vice President of Human Resources, are responsible for the Employee-Management Employment Equity Committee. This committee works to ensure that no person shall be denied employment opportunities or benefits at Rideau for reasons unrelated to ability. The company will always provide reasonable accommodations to qualified individuals with disabilities upon request.

Rideau complies with local legislation around labor and employment practices, such as working hours, wages and benefits, equal opportunity and freedom of association, child labor, health and safety, work-life balance etc. The Rideau employee handbook is designed based on local legislations and it includes policies related to compensation, benefits, sexual harassment, disabilities, substance abuse etc.



Rideau complies with international social standards, such as ILO convention and OECD guidelines. Rideau employs individuals who have working permits and background check processes are also in place.

Rideau sends an annual questionnaire to its suppliers. It includes questions which will allow Rideau to gauge supplier's business practices. Rideau not only complies with local legislation around labor and employment practices, we also require suppliers comply with local labor and employment laws, health and safety regulations or other company policies related to social issues.

## Environment

### *Principal 7:*

#### *Businesses should support a precautionary approach to environmental challenges;*

Rideau supports a precautionary approach and looks to anticipate and prevent environmental problems before they occur. Rideau conforms to the strictest air and water quality standards set by federal, provincial and municipal authorities. We carefully monitor all of our water waste generated in our factory operations. Our electroplating water effluent is tested and recorded daily. A sample of waste water is sent to an independent testing laboratory twice a year to ensure conformity with all laws and regulations. These reports are sent to the local authority twice a year in compliance with local laws. As for the municipal drinking water available to employees, this past year a water filtration system was implemented throughout the entire facility to ensure purified water is available at all times.

Our modern manufacturing facility uses the latest environmental technologies and procedures and is equipped with anti-pollution equipment and alarm systems. All chemical waste is stored and disposed of with an accredited company twice a year. Over the last five years, Rideau has seen the elimination of Tri-chlorethylene from 2547 kg to 0, the reduction of Sulphuric Acid from 10 gallons per week to 1 gallon per week, and the reduction of Nitric Acid from 5 gallons a month to 1/2 gallon a month. Rideau recycles all gold, silver, pewter and brass excess material used in our manufacturing processes. Furthermore, Rideau is dedicated to reducing greenhouse gasses by converting existing equipment that uses natural gas to electricity. Wherever possible, new equipment purchased will use electricity.

### *Principal 8:*

#### *Undertake initiatives to promote greater environmental responsibility;*

Rideau's environmental program is highly dedicated to educating employees on environmental issues and fostering an ecologically responsible lifestyle at work and at home. As various initiatives and programs are implemented, employee communication sessions are held to ensure that the processes are followed properly.

Rideau's head office features a full-scale recycling program designed to reduce waste throughout the company. This program includes the recycling of paper and light cardboard materials as well as plastics, glass and metal products. Rideau also recycles used batteries and electronics.

Recycling bins are strategically placed throughout the offices, cafeterias, factory, shipping and receiving areas. All recyclables are collected daily and periodically shipped to external recycling facilities. Last year, Rideau was awarded the highest level of certification for its recycling program from the “ICI ON RECYCLE” project developed by the Government of Quebec.

This past year Rideau has organized various educational activities for employees. For example, at the Christmas party, Christmas cards were made out of recycled materials to raise awareness about the need for reducing waste, about ingenious ways of recuperating materials and also about the condition of those to whom the cards were to be given: homeless people and cancer patients. The distribution of notebooks out of one-sided paper to new employees was initiated in order to encourage new employees to reduce their waste and inform them of environmental initiatives at Rideau. Various workshops were given on a weekly basis to inform employees on topics such as waste reduction, composting, energy consumption reduction, and eating locally. In March, Rideau mobilized the entire company to play “Eco-Pardy”, designed to raise awareness about climate change issues and to motivate employees to decrease their emissions. This spring, Rideau continued to grow its flower and vegetable garden, and should replace another concrete surface with perennial flowers along the entrance of its offices and in the picnic area. On Earth Day, the documentary, Home, was presented throughout the day so that employees could be more aware of environmental issues. In May, Rideau held a Rideau Recycle Day, to promote the reuse of unused items. All employees were encouraged to exchange old items for those of other employees, with leftovers being donated to a local charity. In August, Rideau will launch a contest to promote carpooling, active transportation and public transportation for the second year running. Another initiative includes the launch of EcoAction bimonthly newsletters, which consist in the outreach to employees to present environmental alternatives and initiatives taken by Rideau.

*Principal 9:*

*Encourage the development and diffusion of environmentally friendly technologies*

During workshop sessions presented to employees and in newsletters, environmentally friendly alternative technologies have been presented. The objective is to introduce employees and managers to renewable energy sources and to encourage them to question our current excessive energy consumption. Rideau has underwent an energy audit in 2009, which tried to determine how best to retrofit the company. In the fall, there will be an initiative to encourage employees to weatherize their homes for the winter and thus reduce their energy spending and consumption.

Some of the main objectives the EcoAction environment committee will pursue include:

1. Continue to retrofit the company to reduce energy consumption
2. Following the greenhouse gas assessment, achieving a 5% yearly decrease of company emissions over 3 years
3. Improve Rideau's procurement policy
4. Continue workshops and newsletters distribution to increase environmental awareness at Rideau
5. Establish a carpooling program at Rideau
6. Start summer backyard composting in Rideau's garden
7. Offer more fair trade products internally (coffee, tea, sugar, chocolate, dried fruit)
8. Reduce Rideau's overall waste
9. Decrease environmental impacts of Rideau organized events
10. Start an exchange program among employees for unused household items

## Anti- Corruption

*Principal 10:*

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

This year's employee survey results show that Rideau has been able to foster an honest work environment. The results mark the trust index at 75%. Furthermore, the belief that management will act upon reported unethical or dishonest practices is at 78%.

Rideau standards of conduct, as reflected in the employee handbook, continue to be designed to help maintain the company's reputation of honesty and integrity; all employees are expected to comply with these principals. In addition, our employees and managers must run our business in compliance with all the applicable laws and regulations of the countries in which we operate. Any violation of the following standards and/or laws and regulations will not be tolerated. Moreover, it is everyone's responsibility to report to the company or HR any violations of applicable laws and regulations without fear of retaliation. Employees should not accept or offer gifts, favors or entertainment, other than infrequent items of nominal value. Appropriate gift-giving can serve to build relationships. However, this should never be done if the possibility or even the appearance of improper influence exists. Rideau expects that its people will exercise good judgment, lead by example, and seek guidance, when necessary for their own conduct.