

General

Period covered by Communication on Progress (COP)

From: January 2013 To: December 2013

Statement of continued support by the Chief Executive Officer (CEO)

MarkPlus, Inc. with many other companies and institutions have signed a long-term commitment to become a member of Indonesia Global Compact Network on April 8, 2006. Throughout these years, we have been continuously promoting and practicing Global Compact initiatives through our core vision, mission, and corporate values. Internally, we also have constantly promoting good Corporate Governance to our employees in conducting business, and providing good and safe working environment to all of our employees.

We will continue contribute ideas and concepts to other Indonesia Global Compact Network members, and encourage other organizations to support the Principles of UN Compact Network. We believe that by adhering to this core set of universal values which are fundamental in meeting the socio economic needs of the world, we would be able to foster sustainable growth.

Hermawan Kartajaya

Founder & President

MarkPlus, Inc.

Human Rights Principles

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: Make sure that they are not complicit in human rights abuses

Assessment, Policy and Goals

MarkPlus, Inc. has made an internal and external commitment to respect human rights in our operations. The company's philosophy, values, policies and procedures covering management and employee roles reflect the company's implementation in respecting human rights. These implementations on the Company Regulation and Code of Business Ethics has been consistently practiced and re-evaluated regularly. Regulations involving order and disciplinary procedures, advancement opportunities, competitive compensation and benefits, work environments, as well as obligations to the community ensure that the company is not complicit in human right abuse.

We also have 4 (four) core values that represent our passion in daily activities. These passions are: Passion for Knowledge, Passion for Business, Passion for Service, and Passion for People.

Implementation

MarkPlus Annual Gathering 2014

MarkPlus Annual Gathering 2014 (held in December 14-15, 2013) carried a theme entitled, "Living the WOW", in which achievers within the company are recognized and awarded and the company's business direction and strategy are discussed together. At this specific Annual Gathering, MarkPlus, Inc. intends to encourage its employees to further work on improving six pillars of character, which are trustworthiness, respect, responsibility, fairness, caring, and citizenship. For 2014, our focus is "Caring" This program is also in line with the MarkPlus Code of Conduct which we launch on 2010. Caring is the heart of ethics, and ethical decision-making. It is scarcely possible to be truly ethical and yet unconcerned with the welfare of others. Caring is an emotional response to both the pain and pleasure of others.

There are 5 (five) things to become a caring person, those are:

1. Be kind
2. Be compassionate and show that you care
3. Express gratitude
4. Forgive others
5. Help people in need

The "Mom" Room

In our new office, we providing a room for new Mom to fulfill their responsibility as mom. The main purpose of the room is to provide a private space for Moms to collect and store their breast milk. This room is for female only, no male allowed under any circumstances, even the room is empty.

Social Gatherings

Employees within the company are actively engaged in employee social gatherings and sports activities, such as badminton, futsal, and basketball, which in turn strengthen their spirit of teamwork as well as improve their performance.

In our office, we have a lounge which provide free-flow coffee and tea for all employee. This lounge is also can be used by the employee to take a break or having lunch. We consider this lounge as an important part for the employee to release the stress.

To support the healthiness of our employee, we cooperate with a global gym chain to provide a special corporate rate to our employee. This program is open to all the employee. Other than that, we also conduct some special “meditation class”, this event is lead by one of our company’s long-time friend, Mr. Sanjay Bhojwani. This event is open for all employee. The purpose of this event is to help employee understand the meditation process and benefit of taking some meditation.

In accordance with our MAG 2014 theme, MarkPlus, Inc. intends to encourage its employees to start to show the company’s ethical code as a true MarkPlus Citizen by actively participating in every MarkPlus event, especially in its biggest annual events, “MarkPlus Conference” and “MarkPlus Annual Gathering” at the end of the year. We name this participation as “MarkPlus Purple Week”.

Monday Morning Message

Our CEO, Mr. Hermawan Kartajaya send all of the employee a weekly message, every Monday he will give an updated message regarding his view towards the business, corporate culture, corporate values, etc. The purpose of these morning messages are to give a motivation and guidance to all of the employee. Other than that, the purpose of the messages also as a reminder of corporate values and culture. Through this message, Mr. Hermawan expect this message can become a media corporate connectivity tools for all of the employee to share their thoughts and gives feedbacks towards company policy.

MarkPlus Code of Conduct

This Code of Conduct (“Code”) is a statement of our principles and expectations that guide business conduct at our Firm and support the overall Firm’s culture philosophy that encourages all employees to be Excellent, Professional and Ethical individuals. Professional Excellence with Integrity is the key to MarkPlus’ continued success in all our dealings with our clients, customers, plan sponsors, employees, providers, shareholders, regulators and others with whom we do business.

This Code covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets the basic principles to guide all employees and officers of the Firm (including all of its subsidiaries).

The basic principles discussed in this Code are part of the Firm’s policies and are subject to any Firm’s policies covering the same issues.

This Code applies to all of the Firm’s officers, employees, contract workers, including those in the Firm’s subsidiaries and facilitators with full-time and exclusive status, whether operating inside or outside of Indonesia. Selected codes may also apply to departing and former employees of the Firm.

All of MarkPlus employees and officers must conduct themselves accordingly; use their judgment, to be accountable for their actions and to conduct business with integrity, seeking to avoid even the appearance of improper behavior. In addition, the Firm’s policies apply to various Firm operations and you need to know and follow those policies that apply to your company work.

Every year in the MarkPlus Annual Gathering, we will ask all the employees to re-sign the code of conduct which they have previously signed before.

Unrivalled Personal Growth

Employees are provided with a dynamic and challenging environment. They are often given a diverse range of tasks and projects, giving them the opportunity to deepen their knowledge not only in one field, but also learn across a wide range of business and marketing topics. Employees are be able to learn from a range of activities - whether from reading the latest books, the latest research journals, listening to/working with more experienced people or experts within a particular topic, or experiencing challenging business problems to solve. At MarkPlus, employees get to meet different levels of people from various industries, hence sharpening their ‘people’ and communication skills. They will also learn to multi-task and work well in teams as working in teams is how we do things here.

Employees work with groups of smart, motivated, dynamic, helpful and supportive people. Whenever an employee needs help, peers will go to extraordinary lengths to make certain that they are assisted. We constantly invest in their personal development, from career-long formal trainings to day-to-day coaching from team mates.

To support the personal growth, especially knowledge growth, we held internal training, with various topics (Product knowledge, marketing knowledge, professional image, grooming, etc). The participant also adjusted according to their needs. The format of the training itself varied depends on the requirement, such as symposium, workshop, etc.

Measurement of Outcomes

1. Daily Alignment Meeting

Each day we have two alignment meetings, in the morning before office hour starts and in the evening, before office hour ends. These meetings purpose is to ensure that all related units understand and reporting the plan of their work each day and also to coordinate with other business units.

2. Weekly Internal Review Meetings

This is to ensure that all of us are better coordinated and more committed to execution. This meetings and the monitoring systems are very important for all of us to achieve our goals and targets, especially this year. The meetings are held among all business unit, industry, and knowledge team. Each of the related units will have their own weekly schedule

3. Ethics Committee

A committee of selected people are chose to represent all business units and regularly conduct a monthly meeting to discuss and evaluate the implementation of MarkPlus Core Values and also MarkPlus Characters.

4. Monthly Operational Report Meeting

A monthly meeting among the top-management level to discuss all operational and business aspect. This meeting also act as evaluation for all action taken within a month.

Labour Principles

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4: The elimination of all forms of forced and compulsory labour;

Principle 5: The effective abolition of child labour; and

Principle 6: The elimination of discrimination in respect of employment and occupation

Assessment, Policy and Goals

Freedom of Association

Through i-Link, MarkPlus, Inc. facilitates communication programs to allow dialog with employees to understand their aspirations as well as sharing ideas that are work related. Employees are able to post news or articles from outside sources as well as their own work and receive feedback in forms of comments. Through this blog system, every employee has the opportunity to express his or her opinions.

Political Activities

MarkPlus Inc. is not affiliated to any political party. Employee joining political party is considered personal affair. Employees should not use the company's time and resources in conducting his/her political activities.

Collective Agreement

Every employee is recommended to discuss any work related matters to his or her supervisor in order to find the best solution. Every MarkPlus, Inc. employee has the right to collective bargaining, which aims to reach a collective agreement that are usually set out for issues relating to employees pay, working hours, training, health and safety, and rights to participate in workplace or company affairs.

Employment Policy

With the re-evaluated employment policy, MarkPlus, Inc., again, reminds all employees of the official working hours. The standard working hours can be found in the Employment policy, in which it supports the elimination of all forms of forced and compulsory labor.

Minimum Working Age

All of MarkPlus, Inc.'s employees are of working age (18 years or older). MarkPlus, Inc. policy strictly does not allow to hire any child labor at any cost and condition.

Distinctive MarkPlus Culture

At MarkPlus, Inc, our culture is defined by our core passions: the Passion for Knowledge, Passion for Business, Passion for Service and Passion for People. Satisfied and smart associates are the key to our success. We work in teams, where we are singularly competent but also collectively dependent. Our current goal is to create a workplace of diversity that attracts the most talented associates and enables them to develop their fullest potential. We believe that a successful company embodies a diverse yet inclusive culture, where we respect and leverage the differences we bring to the workplace.

Implementation

Working Environment

Policy is in place and implemented across business units. MarkPlus, Inc. provides a working environment that is free from harassment and discrimination and has hired employees from diverse backgrounds, including that of race, ethnic, color, religion, national origin, disability, marital status, age, sexual orientation, or gender.

Promotions

Promotions that are made at the end of the year and announced during the MarkPlus Annual Gathering are all fully based on individual performance and potentials, evaluated by immediate superior, and approved by superior's superior and Head of Human Resource.

Reporting

A government regulation (Regional Regulation - Perda No. 6 Year 2004) about the reporting obligation regarding the employee/labor welfare facility at the company.

HR Newsletter

Our HR division create an initiatives to provide a HR newsletter distributed via e-mail to all of our employee. This newsletter contains various information start from our CEO message, general information (grooming guides, company events, company information, etc.). Other than company informations, we also announce the information about our employee (baby birth, wedding, and also condolences news).

Measurement of Outcomes**1. Weekly Internal Review Meetings**

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2. Ethics Committee

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Environmental Principles

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility; and

Principle 9: Encourage the development and diffusion of environmentally friendly technologies

Assessment, Policy and Goals

5S

1. Seiri : Sort, Clearing, Classify
2. Seiton : Straighten, Simplify, and Set in order, Configure
3. Seiso : Sweep, shine, Scrub, Clean and Check
4. Seiketsu : Standardize, stabilize, Conformity
5. Shitsuke : Sustain, self-discipline, custom and practice

Implementation

Energy Preservation

In order to preserve energy, MarkPlus has placed a policy regarding air conditions and lights. Air conditioning and lights are not to be turned on before 8:00AM. Air conditions that are on are limited to be set to 22°C, not lower. This policy has been in forced early in 2009.

MarkPlus Goes Paperless

In the spirit of living up to our continuous support for the global impact, we would like to ask all of the employee to contribute to the environmental sustainability. We have come up with a new movement called “MarkPlus Goes Paperless”. This is where we can start to make a difference, no matter how small, by using less papers in the office. We provide a few simple tips that can we do to contribute:

1. Use a smaller font size
2. Recheck before printing
3. Print one sample at a time
4. Start copying on both sides of the paper
5. Communicate using technology
6. Make the most of the blank space

MarkPlus KX (Knowledge Exchange)

MarkPlus, Inc. has also revitalized an internal portal (MarkPlus KX) that contains information that are related to the knowledge from all the divisions. This portal serves as an information hub that can be accessed by every authorized MarkPlus employee in order to keep him or her updated and well informed, mainly about the knowledge. Through this system, MarkPlus employees are able to keep track of the case study, training modules, research insight, journal, etc.

Measurement of Outcomes

1. Monthly 5S (Seiri,Seiton,Seiso,Seiketsu,Shitsuke) Meeting

Every month we organize a meeting among the 5S committee to evaluate and discuss about the working environment, including the punishment for those individuals or business units who does not implement the 5S policy.

Anti-Corruption Principles

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery

Assessment, Policy and Goals

Promoting Good Corporate Governance

The company also supports some government institutions, universities and business community by providing seminar related to the implementation of Business Conducts and Practices.

Gifts

MarkPlus, Inc. employees have consistently abided by the rules of conduct, in which they are provided with guidelines in dealing with “gifts”. In MarkPlus, Inc., it is never appropriate to offer or receive bribes, kickbacks or gratuities, which can subject the employee to criminal or civil penalties.

Employees should politely decline all gratuities and immediately notify Chief Asset Officer and/or Corporate Secretary about any bribe or kickback offered to them. They are recommended to seek guidance from the Legal Department whenever they are unsure if a payment or gift is a bribe, kickback or gratuity.

This statement also included in MarkPlus Code of Conduct.

Access to Regulations and Policies

The i-Link system, in which all employees are able to access, contains all the guidelines related to compliance with laws, regulations and company’s policies; fair dealing; conflicts of interest; outside engagements, insider trading, gifts & entertainment; integrity of financial records, crisis management, establishment of authorities, group asset and confidential information protection.

Implementation

Measurement of Outcomes

1. Ethics Committee

A committee of selected people are chose to represent all business units and regularly conduct a monthly meeting to discuss and evaluate the implementation of MarkPlus Core Values and also MarkPlus Characters.