



Rideau Recognition Solutions Inc.

2016 United Nations Global Compact

Annual Communication on Progress

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General Information

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Date: October 2, 2016

Membership Date: February 11, 2005

Number of employees: 250

Sector: Other - Employee & Consumer Recognition Solutions



The Nature of Our Business

Established in 1912, Rideau is considered to be a leading full service provider of global, employee engagement & recognition solutions, which include, but are not limited to: Service Awards, Performance Awards, Corporate Merchandising, Customer Loyalty programs and many others. Specializing in customized recognition solutions, built on state-of-the-art technology, Rideau's innovative and easy-to-use employee recognition and customer loyalty programs are changing the way companies recognize employee service and achievement, reward individual and team performance, strengthen customer relationships and create brand loyalty. Our expertise helps our clients build positive relationships with their people to reflect the company's values, increase revenues and exceed customer expectations.

As an enhancement to our suite of recognition services, Rideau is proud to boast our thought leadership division, the Recognition Management Institute (RMI). RMI are leaders in the field of recognition, helping organizations achieve their goals of better leveraging rewards and recognition to support performance-driven and focused organizations.

With over 20 years' experience in the field and a broad range of national and international clients, RMI supports our clientele in developing a reward and recognition strategy that will grow their business, engage their employees, and reflect our clients corporate values and mission. As a wholly owned subsidiary of Rideau, RMI provides the full spectrum of pre-design Assessment Solutions, Program Design, Recognition Strategy Development, Manager Training, Communications/Branding, Analytics Modeling and Compliance Consulting.

VISTANCE PREDICTIVE ANALYTICS AND LEARNING

Along with the above offering, Rideau now offers Vistance Analytics & Learning.

Recognition is one of the top drivers of employee engagement. Learning how to give recognition the right way builds positive relationships between managers and employees, and this is what really creates employee engagement.

Therefore, Vistance gives you an important tool in your toolbox to elevate the productivity and performance of everyone in your organization. Vistance is an online assessment and learning resource for enhancing your managers' skills for giving meaningful and effective employee recognition. Vistance develops skills based upon our researched and validated content from our Recognition Skills Assessment. The learning is delivered in 10-minute bite-size modules to concentrate the learning while not significantly impacting work schedules.

The data generated from the recognition programs along with the learning modules and assessments can be filtered through our proprietary algorithm, to give accurate, forward-looking insights to predict manager strengths and weaknesses. Rideau is involved in leading edge projects that help companies use their multiple points of recognition and HR data to diagnose and predict disengagement, turnover, absenteeism, productivity and performance outcomes.

For more information, please visit www.rideau.com.

Statement of Support

Rideau first signed on to the UN Global Compact in 2005, as we have always strived to be an environmentally friendly company focused on promoting sustainable practices both internally and with our clients. Rideau remains highly committed to being socially and ecologically responsible in our business operations and in our interactions with employees, suppliers, clients and the community. Rideau fully supports the UN Global Compact and will persistently seek to go further in maintaining our commitment to respecting and upholding human and labour rights, promoting sustainable development and fighting against corruption.

Rideau is dedicated to following the Global Compact's 10 principles and we truly see these as an extension of our own corporate initiatives. The UN Global Compact acts as both a policy platform and as a practical framework to help our business and our clients' businesses achieve their goals of being responsible and sustainable. Many of our clients continue to add sustainable initiatives into their recognition programs. We strongly encourage our clients to move as many program communications as possible online to reduce paper use. For clients with employees that may not readily have access to a computer, we still create printed program brochures; however these are printed on 100% post-consumer recycled paper with FSC certification. Another green initiative is the use of reusable gift bags in place of classic paper gift bags. These bags can be used again and again by recipients as a symbol of their recognition moment. We are also a member of ECOAction and RecyQuebec. We are also participating in Plan Montréal Durable 2016-2020, the city of Montreal's sustainable development plan for 2016-2020.

Rideau's environmental reach extends to our partners and suppliers as well. We are actively seek suppliers who can guarantee responsible sourcing of their materials and metals. Rideau has signed on to No Dirty Gold's Golden Rules of Responsible Mining, a voluntary campaign that encourages its participants to re-examine gold and metal sourcing, and promotes responsible mining worldwide. Rideau completed another greenhouse gas assessment this year and continues to be CarbonNeutral®. We also continue to plant trees through a Canadian not-for-profit organization. Rideau planted 39,364 trees in 2016.

For all of our employees, we have comprehensive rules and a code of conduct. Every new hire receives a training on the Employee Handbook to remind them of their rights, obligations and recourses in the matters of equal opportunity, reasonable accommodations to people with disabilities, harassment at work, health and safety, privacy, gifts and gratuities, amongst others. Rideau is dedicated to nurturing a positive work environment where employees feel safe and can thrive.

As an honored member of the UN Global Compact, I hereby uphold that Rideau will continue to improve our business practices in compliance with the 10 UN Global Compact's principles.

Yours truly,



Peter Hart
Chief Executive Officer
Rideau Recognition Solutions Inc.



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 by the UN Global Compact principles for the workplace and seeks to have its suppliers and partners comply.

Principal 2

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, our supplier questionnaires and our external commitments. We have comprehensive rules and a code of conduct that are binding on all employees who must sign these on their induction into the company. This protects the interests of the employee and other stakeholders. Our supplier questionnaires pertain to the International Labor Organization's Fundamental Principles and Rights at Work, which incorporate international human rights. Our external commitments to organizations such as No Dirty Gold campaign make us aware of issues and active in the fight for the respect of human rights outside the scope of our regular business.

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

a) 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. In our annual employee survey, the employee satisfaction index for the "Diversity" category was at 84% in 2016, an improvement of 7 points since 2007.

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 the accommodation poses 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 the Rideau Human Resources department.



The following are a few of our 2016 Diversity Statistics:

Employee Gender Breakdown:

Male	51%
Female	49%

Nationalities Represented in our Workforce:

Algerian	French	Mauritius	St-Vincentian
American	Greek	Moroccan	Swiss
Armenian	Haitian	Pakistani	Tunisian
Bolivian	Indian	Persian	Vietnamese
Brazilian	Iranian	Peruvian	Costa Rican
British	Iraqi	Polish	Filipino
Cameroon	Irish	Portuguese	
Canadian	Italian	Romanian	
Chinese	Ivorian	Russian	
Congolese	Jewish	Scottish	
Dominican	Kyrgyz	South American	
Egyptian	Lebanese	Sri Lankan	

Languages Supported by our Workforce:

French	Chinese	Cambodian	Gujarati
English	Greek	Mandarin	Hindi
Spanish	Russian	Farsi	Marathi
Vietnamese	Japanese	Portuguese	Tamil
Creole	German	Romanian	
Italian	Hebrew	Urdu	
Arabic	Armenian	Cantonese	



b) 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 is not tolerated.

c) 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 Department supervisor to ensure that safe and healthy work conditions are monitored and maintained.

Also, the company encourages employees to take an active role in keeping an injury free workplace. Rideau is committed to complying 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 do not tolerate unsafe work practices or behaviors.

Employees who engage in unsafe acts or behaviors in the work environment are 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 a policy and procedures regarding the company personal protective and safety equipment required.

d) 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 the easily accessible valuable merchandise may require certain safeguards 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 that protects the employee's privacy and dignity, and must first be approved by senior management and be done in the presence of Human Resources Department. 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.

Labour Standards

Principal 3

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

Rideau is committed to respecting employee's rights to freedom of association and collective bargaining without interference and free from discrimination. Rideau will seek to prevent or mitigate any adverse impacts on these rights and will comply with all applicable laws and regulations on this matter. This policy and any related standards are part of our Employee Handbook and are therefore communicated to all employees. Standards are based on local conditions and regulations. Grievance mechanism is available for receiving and addressing complaints of violations of this policy and is communicated to all relevant stakeholders.

Principal 4

Businesses should uphold the elimination of all forms of forced and compulsory labour;

Our policy supports international efforts against child and forced labour in conformance with the Rideau Code of Business Conduct and Ethics by prohibiting child or forced labour use or involvement by the Company. Rideau is committed to having sufficient management systems in place to ensure that we comply with this policy. All employees should be alert to any evidence of child or forced labour abuse in operations linked to our businesses. If our employees suspect forced labour, they should report their concerns immediately to their immediate manager and/or their Human Resources Department.

Principal 5

Businesses should uphold the effective abolition of child labour; and

Rideau is fully committed to protecting children from economic exploitation and from performing any work that is likely to be hazardous, interfere with their education, or is harmful to the child's physical or mental health or moral development. The Company believes that their future development and that of the communities and countries in which they live are best served through education and not child labour. Student educational work experience that has been approved by Rideau in accordance with international standards is not considered child or forced labour. No children below the age of 15 can be employed in our facilities. If the law states a higher age, the law must be followed. Young workers between 15-18 years old can only undertake light work and all procedures concerning the treatment of young workers must be followed.

Principal 6

Businesses should uphold 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 Government's Contractors Program for Employment Equity (FCP-EE). In complying with the letter and spirit of applicable laws and pursuing its own goals of diversity, Rideau shall not discriminate on the grounds of race, color, religion, gender, sexual orientation, national origin, citizenship status, age, disability, or veterans' status in



employment, education, and all other areas of Rideau. Steve Perrone, Rideau's Chief Financial Officer, in conjunction with Isabelle Lavigne, Chief Human Resources Officer, is 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 regarding labour and employment practices, such as working hours, wages and benefits, equal opportunity and freedom of association, child labour, 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 in place.

Rideau meets annually with our key suppliers to gauge suppliers' business practices. Rideau not only complies with local legislation regarding labor and employment practices, we also require that 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 also go beyond the standards issued by legislation to take a stand on environmental issues.

a) Climate

CarbonNeutral Certification

In February 2011, we became the first company in our field in the world to offset the greenhouse gas emissions generated by its entire practices, thus becoming carbon neutral. This was a really exciting first. We hoped to inspire others to take a similar stance on climate change issues. Rideau is supporting a precautionary approach to climate change, and is very proud to maintain the CarbonNeutral certification again in 2016-2017.

b) Water

At Rideau 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, in 2009 a water filtration system was implemented throughout the entire facility to ensure purified water is available at all times.

Rideau and its employees contribute to support the elimination of plastic water bottles on its premises. Rideau strongly recommends all employees to bring their own water bottle and have installed many water filtered stations throughout the company.

c) Waste generation and efficient use of resources

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. Since 2005, Rideau has seen the elimination of Tri-chlorethylene from 2547 kg to 0, the reduction of Sulphuric Acid from 10 gallons per week to 0.5 gallon per week, and the reduction of Nitric Acid from 5 gallons a month to 0.5 gallon a month. Rideau continues to recycle all gold, silver, pewter and brass excess material used in our manufacturing processes.



Principal 8

Businesses should 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 collected by external recycling facilities (separate for paper and other materials, as paper can be sold). Since 2009, Rideau is certified by Quebec's recycling program "ICI ON RECYCLE" developed by the Government of Quebec. In 2016, Rideau has received a higher level of certification, moving from level 1 to a level 2 certification, with level 3 being the top level of certification.

Again this past year, Rideau has organized various educational activities for employees. For example, at the children's Christmas party, a Christmas tree out of recycled materials was made to raise awareness about ingenious ways of recuperating materials, especially among the on-looking parents.

In the spring, Rideau continues to grow its flower garden with perennial flowers along the entrance of its offices and in the picnic areas.

Rideau continues to work to influence other companies or organizations to become more environmentally friendly. For example, in offering programs through which companies can plant trees to recognize their employees or by voicing our environmental concerns to other companies, we are contributing to improving environmental behaviors.



Principal 9

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

During workshop sessions presented to employees, environmentally friendly alternative technologies have been presented. The objective is to introduce employees and managers to renewable energy sources and to encourage them to reduce our energy consumption. Since 2013, Rideau is accredited as CarbonNeutral, a program through which we support the development of renewable energy sources in various international locations.

Some of the main objectives our Rideau EcoAction Environment Committee will pursue next year include:

1. Continuing 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. Improving Rideau's environmental policy
4. Continuing newsletters distribution to increase environmental awareness at Rideau
5. Offering more fair trade products internally (coffee, tea, sugar, chocolate, dried fruit)
6. Reducing Rideau's overall waste production
7. Continuing to decrease environmental impacts of Rideau's organized events

Anti- Corruption

Principal 10

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

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 are not tolerated. Moreover, it is everyone's responsibility to report to the company or to the Human Resources Department 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 employees will exercise good judgment, will lead by example, and will seek guidance, when necessary for their own conduct.

Rideau is a member in good standing of the Québec Lobbyists Registry, the provincial tool used to materialize transparency. Lobbyists declare their lobbying activities carried out with public office holders in Quebec. When consulting the registry, you can learn who is seeking to influence policy-makers, in which areas, to whose benefit and for what purpose. The Lobbyists Registry is public. The Personal and Movable Real Rights Registrar, is responsible for the Lobbyists Registry. This register is maintained by the Lobbyists Registrar, who reports to the Québec Justice Minister.