Communication on Progress 2018



BEIJING GROUPHORSE TRANSLATIONS CO., LTD.

Facilitate Global Communication for Better International Relations

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STATEMENT OF CONTINUED SUPPORT

Period covered by our Communication on Progress (COP) From April 10, 2017 to April 9, 2018

April 2018

Beijing Grouphorse Translations Co., Ltd. is proud to have been a member of the United Nations Global Compact since 2017, and has been staying committed to upholding the Ten Principles of the United Nations Global Compact.

As we seek to facilitate global communication for better international relations, we have established a sound system to internalize these principles and expand the scope of human rights, labor rights, environmental protection and anti-corruption practices within our sphere of influence.

I am glad to confirm that Grouphorse reaffirms its support of the Ten Principles. This is our first annual Communication on Progress that presents our actions to integrate the Global Compact and its principles into our strategy, culture and daily operations. And we will make greater efforts to increase awareness about corporate social responsibility.

Yours sincerely,

TANG Xing

President/Chairman

Beijing Grouphorse Translations Co., Ltd.

CORPORATE PROFILE

Headquartered in Beijing, Grouphorse (www.grouphorse.com/en) has branches in major cities including Shanghai, Guangzhou, Shenzhen, Nanjing, Chengdu, Changsha and Hangzhou, and is a United Nations vendor for language services registered at the highest level and a member of the United Nations Global Compact (UNGC).

As one of China's most prestigious international language service providers, Grouphorse has been the official language service provider for APEC summits, the Boao Forum for Asia, and the official sponsor for the XIX FIT World Congress, one of China's first practice bases for Master of Translation and Interpreting (MTI) candidates, an corporate council member of the Translators Association of China (TAC), a corporate member of the American Translators Association (ATA), and an organizer of the Eighth National Conference and International Forum on Interpreting.

Mr. Jiading Guo, former Director-General of the Department of Translation and Interpretation and the Advanced Professional Titles Appraisal Committee at the Ministry of Foreign Affairs (MFA) of China, served as the first director of translation and interpretation overseeing language services and training programs at Grouphorse. Mr. Guo reviewed and finalized the English bid documents of the Beijing 2008 Summer Olympics, the World Expo 2010 Shanghai, the Asian Games Guangzhou 2010 and the Universiade Shenzhen 2011. Ms. Yanan Xu is the current chief advisor of translation and interpretation at Grouphorse, who served as Chief of the Chinese Translation Service of the Documentation Division of the Department for General Assembly and Conference Management (DGACM) at the UN and Director-General of the Department of Translation and Interpretation at the MFA. Dr. Yong Ho, former Head of UN China Study Program now serves as a Senior Advisor at Grouphorse.

At Grouphorse, we are proud of our precise management, transparent and standard work flow, customized services and strategically-distributed branches. The proven quality of our language service solutions makes Grouphorse stand out from the rest as

the preferred language service partner for Chinese enterprises and organizations with overseas business, foreign-invested companies, embassies and consulates and missions of international organizations in China. Grouphorse has received letters of appreciation from political leaders including former British Prime Minister Gordon Brown, former French Prime Minister Jean Pierre Raffarin, former Australian Prime Minister John Howard, and former British Chancellor of the Exchequer George Osborne.

As a key step towards corporate management improvement, Grouphorse has engaged Mr. Jian Xu, a renowned lawyer and Dean of the RUC Lawyer College, as the legal advisor. Before joining Grouphorse, Mr. Xu was a long-time legal advisor to Hong Kong tycoon Sir. Ka-shing Li, one of the world's best-known business leaders.

Grouphorse and the UN

On May 3, 2017 (EST), Grouphorse Chairman Tang Xing gave an English keynote speech at the "2017 Chinese Evening" event at UN headquarters, and said that Grouphorse would keep making unremitting efforts to incorporate the principles of the Global Compact into its strategy, culture and day-to-day operations and promote mutual learning between China and other countries. Later on June 20, Grouphorse attended the UNPD and International Committee of the Red Cross (ICRC) Business Seminar in Shanghai.



Chairman Tang Xing delivers a keynote speech at the 2017 Chinese Evening

Cema Translators Training Institute, Grouphorse's flagship department, has been sending trainees to practice interpreting skills under the guidance of the staff interpreters at the UN agencies over the years. Some of the trainees have later on been

hired as full-time interpreters at other international organizations.

Translation and Interpretation Services

Grouphorse is certified to the ISO standard and owns ten branches and subsidiaries running business including translation and interpreting services, translation and interpreting training, conference services, multilingual headhunting and the R&D of computer-aided translation tools.

Grouphorse is home to over 1,000 simultaneous interpreters who have served domestic and foreign political leaders and completed conference interpreting tasks of over 1,000 hours. More than 80 percent of Grouphorse's employees hold a master's degree or above. The management personnel graduated from top-notch universities, such as Columbia University, Renmin University of China, Fudan University, Beijing Foreign Studies University, Shanghai International Studies University, etc.

As one of the most powerful translation/interpretation service providers, we boast an A-list team consisting of industry-expert linguists and full-time quality managers who have all been strictly tested and can provide the best services.

Business Performance

The Center for Translation and Interpreting (CTI), Grouphorse's high-end language service platform, serves clients around the globe with the best language services provided by over 1,000 linguists at home and abroad with expertise in multiple fields. The CTI has been the language service provider for world-renowned organizations and events, including but not limited to:

- ♦ UN bodies
- ❖ Boao Forum for Asia (BFA), BFA Paris Meeting, BFA Board of Directors Working Meeting
- ♦ China International Import Expo
- ♦ Universiade Shenzhen 2010
- ♦ APEC CEO Summit, APEC SME Summit, APEC Fortune Forum-SMEs Dialogue with Global 500, APEC Young Entrepreneurs' Summit
- ♦ G20 SMART Innovation Forum

- ♦ Global Innovator Conference
- ♦ 2017 Berkshire Hathaway Annual Shareholders Meeting
- ♦ Sino-European Entrepreneurs Summit, Sino-Australasian Entrepreneurs Summit, Sino-African Entrepreneurs Summit, etc

Areas of Specialization

- ♦ Legal & Government & Culture & Education
- ♦ Finance & Consultation
- ♦ Advertising & Marketing & PR
- ♦ Information Technology & Telecommunication
- ♦ Mechanical Engineering & Electronics & Auto
- ♦ Chemistry & Energy
- ♦ Medicine & Biochemistry
- ♦ Construction Engineering & Real Estate
- ♦ Life & E-commerce



Grouphorse interpreters at the Sino-Australasian Entrepreneurs Summit

Training Programs and Cooperation with Universities

Cema (www.cemachina.com) is widely recognized as the champion in the industry in terms of teaching quality, number of trainees enrolled, range of training levels and geographical coverage. With its unique teaching method combining comprehensive training with interactive learning, Cema is dedicated to cultivating first-class translators and interpreters with global vision, and has been commended by senior Chinese officials such as Mr. Huaqiu Liu, former Division Director of the Office of Foreign Affairs Group of the Central Committee of Communist Party of China.

Cema customizes translation training programs for companies directly under the central government, such as China National Offshore Oil Corporation, State Nuclear Power Technology Corporation, Commercial Aircraft Corporation of China, China Southern Airlines, foreign-invested companies in China, such as Novo Nordisk, PricewaterhouseCoopers (PwC), Porsche, Mitsubishi, and Honda, and embassies and consulates of countries such as Australia and Norway. Those who have been trained at Grouphorse and have excellent language skills can take the exam for PwC jobs without prior resume screening.

For years, Grouphorse has been supporting the disciplinary development of master's degree program in translation and interpreting by providing admission preparation and assessment of applicants to China's high-level "Project 211" universities; Grouphorse continues to serve as MTI (Master of Translation and Interpreting) practice and incubation base for top universities, including Beijing Foreign Studies University (BFSU), Zhejiang University, Shanghai Jiao Tong University, Sun Yat-sen University, Tongji University, Southeast University, Shanghai International Studies University and East China Normal University. Through corporate as well as personal network efforts on the part of senior leadership, Grouphorse has developed both formal and informal relations with top-notch universities abroad including Columbia University, Middlebury Institute of International Studies, and University of Westminster. Currently Grouphorse is the only institution in China that runs admission procedures for the screening of applicants to the MTI at University of Westminster. More recently, Grouphorse has begun working with the US-China Education Exchange based in New York City; among other new developments two of our students got accepted to the New York University Summer Translators Institute in July 2017.

As a company with a strong sense of social responsibility, Grouphorse assists the development of BFSU and its Graduate School of Translation and Interpretation through the establishment of the Grouphorse Education Fund and Grouphorse Scholarship to finance students with outstanding academic performance. After being rigorously screened and assessed, Grouphorse has become the only language service partner among the supporting partners (who are industry giants, such as Bain & Company, Ogilvy China and Deloitte) of One Foundation, one of China's most

influential non-governmental charities.



Grouphorse Education Fund launched in BFSU.



Grouphorse establishes a practice base in the University of Science and Technology Beijing

International Exchanges

Over the years, Grouphorse has been actively promoting international exchanges. Our delegations have visited a good many organizations and enterprises in Europe and the US, including UN agencies, China-Britain Business Council, the University of Oxford, the University of Cambridge, the Googleplex and headquarters of enterprises including Intel, Goldman Sachs, Morgan Stanley, etc.

As a language service provider, Grouphorse always seeks to promote Sino-foreign exchanges, cultivate language professionals, and contribute to China's role in global governance and its voice in the international community. With social responsibility at heart, we at Grouphorse have always managed to achieve sustained, stable, fast and coordinated growth over the past decade.

TEN PRINCIPLES OF UN GLOBAL COMPACT

Human Rights

Policy

Grouphose sees to it that our employees and partners respect the Universal Declaration of Human Rights and takes respecting human rights as the basis of corporate sustainable development. We ensure our employees would never be discriminated for their age, race, gender, marital status, religious belief, ethnicity or physical disability.

Implementation

Grouphorse works with a strong sense of social responsibility and has been strictly observing the Universal Declaration of Human Rights and other international human rights protection rules.

To safeguard our employees' legitimate rights, we are implementing the Grouphorse Human Rights Protection System that incorporates rules in *the Labor Law of the People's Republic of China* and *the Social Insurance Law of the People's Republic of China*. Salary, time off in lieu, annual leave and social welfare benefits and employee treatment-related issues are all specifically laid out in the employment contract.

In terms of labor protection and safety, we have rolled out plans and regulations. For instance, Last year, we raised the minimum salary standard, improved the salary system and increased the salaries of both new and ordinary employees. Employees with outstanding performance have all been given a pay rise according to our promotion system. And the translators and interpreters working on external assignments are entitled to a bonus.

The company union and the Dispute Resolution Office have been in place at Grouphorse to handle complaints and disputes.

We attach great importance to human rights when researching and reviewing investment projects and have not invested in any projects that violate human rights.

Human rights protection provisions are crucial in the contract we signed in outbound investments. We only sign contracts that include provisions protecting employees' interests in terms of salary, working hours, insurance and social welfare, etc.

During procurement, we keep a close eye on how our suppliers handle human rights issues to avoid any human rights infringement. Relevant provisions are also clearly stated in our procurement contracts so that the suppliers would honor the commitment to protecting human rights.

Grouphorse will continue to conform with the UNGC human rights principles, raise the employees' awareness of human rights protection, and consistently respect internationally-recognized human rights.

Outcomes

We at Grouphorse have always been the upholder of human rights and exercise zero-tolerance on human rights infringement. There was no investigation, lawsuit, punishment or other incidents concerning human rights infringement last year.

Labor

Policy

Grouphorse has incorporated key requirements of the International Labor Organization (ILO) Code of Practice into its internal management and quality control system and developed practical rules and regulations to protect the rights and interests of its employees. As a people-oriented and innovative company that seeks excellence, Grouphrose cares about the employees and is dedicated to giving back to the community. Last year, we continued to carry out the *Grouphorse Regulations on Promotion and Incentives* and offered incentives to employees who handled the most translation or interpreting tasks exceptionally. We have not employed and will not employ children or minors. Employees also benefit from the *Grouphorse Flexible Working Arrangements*, and comprehensive training programs.

Implementation

As the only language service partner among the supporting partners of One Foundation, we are also actively involved in helping those in need. We care about every employee and try our best to solve their problems in their work and life. Last year, we held the Grouphorse Global Translation and Interpreting Summit 2017 and Grouphorse Global Translation and Interpreting Summit on Belt and Road Initiative, and activities such as essay and knowledge contest, photography and calligraphy exhibition, which helped fuel the team spirit and enhanced our brand image.



Grouphorse Global Translation and Interpreting Summit 2017

Eliminating discrimination is a key requirement of the UNGC and international conventions. Grouphorse has always strictly followed rules against discrimination and has developed a supervision system to ensure the implementation of the anti-

discrimination principle. We work against all forms of discrimination that involve internal or external stakeholders, which may be based on factors such as race or gender, age, nationality, religion, sexual orientation, etc. People can report such discrimination to our email, suggestion box, or company union, where the representative would report to the management on behalf of a certain employee. And employees could take legal actions and have authorities concerned initiate the investigation.

We have been promoting employees or giving them a pay raise based on their excellent performance instead of years of experience. And we will continue to review the employees' performance regularly and make an exception for the outstanding ones when it comes to promotion.

We have mapped out the *Grouphorse Regulations on Overtime Working* to curb overtime working so that our employees would not be physically and emotionally drained.

Our employees are entitled to the flexi-time schemes laid out in the *Grouphorse Flexible Working Arrangements* and do not have to come to the office every day and punch the clock. They can start work later or leave early as long as they get their job done for the day. Also, they can choose the work locations and to work on the move, which makes them work more efficiently and comfortably. Some employees are offered extended holiday periods if they have been working intensively.

Grouphorse has been organizing various trainings for its employees and clients. We held induction programs for new employees in all branches to help them get acquainted with the company policy and professional knowledge. We also have been holding training sessions routinely to improve the professional skills of employees, and inviting linguist experts, such as Ms. Yanan Xu and Dr. Kevin Lin, to give lectures on translation and interpreting and sending our experts out for academic exchanges.



Ms. Yanan Xu at the Grouphorse Global Interpreting Summit 2015

Eliminating compulsory and forced labor is a basic human right and one of the provisions of the Universal Declaration of Human Rights. Grouphorse acts in accordance with the ILO Conventions Nos. 29 and 105 and relevant national and international laws and regulations. Employees voluntarily sign employment contracts with Grouphorse and the company union signs the *Collective Employment Agreement* with the company on behalf of all employees, to better safeguard employees' interests in terms of working hours, salary and social welfare benefits, etc.

Our employees can choose to stay or leave Grouphorse voluntarily, and we do not impose any restriction on their personal freedom or force them to stay employed by us through menace of any penalty including sanctions, threats, violence, loss of rights of privileges, etc.

Grouphorse executives constantly visit retired employees and raise fund for schools in impoverished areas and organize overseas trips for employees and their children.

Outcomes

Last year, there was no complaint, petition or any incident involving acts of discrimination, forced labor or other violations of the labor principles at Grouphorse. All the efforts made by Grouphorse have paid off and further unify all staff members together. The employees are more satisfied with team leaders and Grouphorse as a company.

Environment

Policy

Environment-friendly and resource-saving principles are at the core of Grouphorse's sustainable development strategy. We have launched the "Grouphorse Environmental Protection Initiative" to promote environmental protection, energy conservation and emission reduction in the daily business operation by raising employees' environmental awareness and implementing our own environmental protection rules through a variety of activities.

Implementation

Guided by the UNGC principles, the Initiative calls on employees to take part in the Earth Hour every year and attaches great importance to office recycling and waste management. We have conducted a "Waste Audit" to know what types of waste is being produced and should be recycled. We also monitor the amount of recycled waste to evaluate our recycling system and make sure everyone at Grouphrose is aware of how the recycling facilities should be used.

For example, we always print on both sides of the paper, reuse the old office supplies and some electronics, and save water and electricity.

Grouphorse has devoted human and financial resources to the environmental protection and sustainable development, which is initiated by the corporate management who established certain rules and supervises the whole process.

We have also opened the "Environmental Protection Class" where a team of dedicated professionals regularly offers training sessions on environment and safety issues, so that each department understands how to do its part to protect the environment. Grouphorse executives would constantly check on how these departments implement the rules and fulfill their responsibilities. Any violators will be immediately held accountable according to corporate rules.

Outcomes

Last year, Grouphorse was not involved in any environmental pollution incidents and greatly saved costs by implementing the office recycling program.

Grouphorse will continue to strictly abide by the principles on environmental protection, proactively echo initiatives launched by the UN and the Chinese government on environmental protection, and further contribute to the sustainable development of the world.

Anti-Corruption

Policy

Grouphorse has been running an honest business and allowing for no corruption at any level, which is essential to our service quality management. Since joining the UNGC, we have been in compliance with global standards in terms of business integrity and implementing the *Grouphorse Regulations on Anti-Corruption* strictly, and make sure that our customers and suppliers understand that we work with integrity and hold ourselves to a high moral standard.

Grouphorse is committed to working against corruption in all its forms and strictly abides by the *United Nations Convention against Corruption* and other relevant international regulations. We proactively promote the zero-tolerance approach to corruption, extortion and bribery and assist our staff in handling extortion and bribery. We also call on our partners and suppliers to comply with anti-corruption policies.

Implementation

Last year, we went a step further in plumping our rules and regulations on anticorruption and business integrity and developing internal audits.

To better prevent corruption at any level, we have refined the *Grouphrose Anti-Corruption Regulations* and regularly hold training sessions on anti-corruption and business integrity. Anyone at Grouphorse who is involved in bribery, fraud, extortion and other illegal business activities will be subject to full investigations and disciplinary actions. Grouphorse has zero-tolerance for corruption, which is also stated very clearly in the *Grouphorse Staff Manual*. Our records are routinely audited internally and externally.

Outcomes

Last year, there was no investigation, lawsuit, ruling, fine, and other incidents related to corruption in all its forms at Grouphorse. We will firmly comply with UNGC's anti-corruption principle and make greater efforts to prevent corruption.

As a UNGC participant, Grouphorse will continue to implement the ten principles

concerning human rights, labor, environment and anti-corruption and work towards

greater social responsibility. As we continue to run a modern and honest business, we

will actively participate in various UNGC campaigns across the world and strive to

become a role model and get more businesses involved in giving back to society.

Should you have any questions, please feel free to contact us.

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