

UN Global Compact Communications on Progress 2019

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Self-assessment

Includes a Chairman statement of continued support for the UN Global Compact and its ten principles

Description of actions or relevant policies related to Human Rights

Description of actions or relevant policies related to Labour

Description of actions or relevant policies related to Environment

Description of actions or relevant policies related to Anti-Corruption

Includes measurement of outcomes

Statement of continued support by the Chairman

Statement of the company's Chairman expressing continued support for the Global Compact and renewing the company's ongoing commitments to the initiatives and its principles.

December 20, 2019

To our stakeholders:

I am pleased to confirm that The Color Club reaffirms its support of the UN Global Compact (GC) and its guiding principles. We intend to do our utmost to improve the integration of the 10 GC principles into our business strategy and daily operations. We strive to maintain a frequent dialogue with our stakeholders, enhance our labor practices where possible, maintain human rights throughout our policy and activities and promote anti-corruption.

In this annual Communication on Progress (COP), I am happy to share some exciting Sustainable Development Goals (SDGs) stories within the field of corporate social responsibility (CSR) and to highlight other relevant corporate initiatives. I hope you will enjoy the read.

Sincerely yours,

Carsten Conradt-Eberlin

Chairman

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SDG 17: Strengthen the partnership for sustainable development

Vision and implementation

This approach is one of the leading elements work with sustainability. We choose partners who value sustainability in all countries, and in particular Asia (Vietnam and Cambodia).

We want to highlight this approach by using our work as an example:

- Due to market changes, competitors enter, new opportunities and challenges crop up, we expanded our business to Cambodia by joining an existing company.
- We partner with WSI - the world's largest digital marketing agency network to consult and provide the right digital strategies to our clients.
- We also signed agreements with two outsourcing companies within the digital imaging field to enhance our capability and scalability in peak season toward our clients.
- We continue to be a member of Local Organization Skill Commute (LOSC) of Technical and Vocational Education and Training Project (TVET), organized and supported by the Danish Ministry of Education to help build up Digital Imaging and Graphic Design curriculum, phase 2, in a new joined vocational school in Hanoi, started in Sep 2019.

Measurement of outcomes

- This partnership with the company in Cambodia gives us new market opportunity (Australia, Sweden and USA), brings in new knowledge and skills related to Real Estate industries, adds new product and production capability to the business. Our profit has increased by 10% this year and is expected to increase by 30% next year.
- The agreements with two outsourcing companies allow us to provide 24/7 production to our clients, no matter high season or low season, no matter holidays or normal days, no matter of tight deadlines requested by the clients. As a result, our scalability has increased by 15% during peak season.

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- Joining the LOSC has given us an opportunity to understand more about the challenges and obstacles that companies within the field of Graphic Design are facing, meanwhile sharing our experience and solutions to solve some of these challenges and obstacles.

SDG 4: Quality Education

Vision and implementation

Technology drastically changes in all industries. Services transform faster than ever.

We want to be in the front line by constantly acquiring and sharing knowledge, increasing our skills and getting the necessary experience to ensure our target groups will see us as the best choice.

We support this goal by:

- Setting up a new and modern management structure that focuses on talent management and development
- Distributing our knowledge within various topics.

What have we done:

- We are certified members of the European Chamber of Commerce (Eurocham) and Nordic Chamber of Commerce (Nordcham), in order to provide more opportunities to all our personnel. This allows us to participate in events, training courses and workshops to catch-up with all new things occurred in our market and society.
- Sending staff to join WSI training course so that we have an expert within digital marketing and a whole experts network to support us in daily work and training for our clients, suppliers and employees.
- Invested on an online training course - Strategyzer to provide our employees a platform to clearly understand our clients, create better service offerings in order to grow our business.
- English training focused on processing presentation, presentation workflow for pitching and presentation for creativity team.
- TVET program: phase 2, we continue to be a member of the LOSC with Television College in Hanoi city to rebuild curriculum that meet the current demands and needs of the market. We offer

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more internship opportunities using work-based learning method to students in both Vocational School in Ho Chi Minh City and Television College.

- TVET program - train for trainers workshops: we send our key leaders to join the train for trainers workshops with the school's teachers and management team to have a better collaboration and workflow structure to evaluate the outcomes of the new curriculum built.

Measurement of outcomes

- We have joined more than 30 events, training courses and workshops throughout the year and re-built a program based on that content to train our employees.
- Setup a whole new digital marketing team to improve and enhance company marketing strategy towards our target groups.
- With Strategyzer online course, we have successfully trained 16 key managers and employees in the company. We have successfully analysed the business models for two of our big clients, getting approval from the clients and are now working on services that can help our clients solve their jobs.
- By providing an English course focused on presentation skills for project management team (8 members), marketing team (4 members) and creativity team (8 members), our employees are more confident and well prepared for any presentations they do for both internal and external events and workshops .
- We have received 5 students from TVET project to our company as an intern across the production teams so they can have as much experience as possible in real working process.
- By sending key leaders to train for trainers workshops (TVET program), we also enhance the leadership skills and get the full commitment from participated leaders towards this program and students.

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SDG 3: Ensure healthy lives and promote well-being for our employees

Vision and implementation

Employees count as the most important resource in our company. Therefore, we do our best to protect the well-being of our employees in many ways.

What we have done in this year:

- We promoted a training program which encourages our employees to spend around 10% to 15% of their time on training.
- We continued to apply for full Social Insurance, Health Insurance and Unemployment Insurance for all employees in order for them to be secured in personal and health matters and in retirement years.
- We ensured no wage gap between men and women due to gender difference.
- We continued to have a contract with a current food supplier to ensure the quality of food and adhere to food safety regulations, that provides our employees with required nutrients.
- Long-term contract with our water supplier (Ion Life) to ensure the health and safety for employees are met.
- Encouraged our employees to use metal straws and bottle at the office to reduce plastic waste.

Measurement of outcomes

- By having training programs and approved training time, our employees expressed their relief and satisfaction both on improving his/her skills and decreasing stress due to job pressure.
- 90% of our employees now have metal straw and bottle at the office.
- Employees have higher awareness about protecting the environment and saving energy (lights and air-conditioner are off after working hours).
- 0% of employees have problems with food quality and safety such as food poisoning, allergies, etc.

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SDG 5: Achieve gender equality and empower all women and girls

Vision and implementation

In our company, we understand that equal career opportunities for men and women create a sustainable corporate culture, improve employee satisfaction and performance and attract and retain talent.

- We have given equal training opportunities for both male, female and other genders employees in our company.
- We give equal promotion opportunity for both men and women in our company, especially in senior or manager positions.
- We ensure no wage gap between men and women due to gender difference.
- Flexible working policy for women with children has been adopted as part of the efforts to improve gender equality and work-life balance.

Measurement of outcomes

- We continue to have a majority female workforce (53.1%), with a total of 44 female employees amongst a total of 82 employees.
- We have a majority female management workforce (66.7%), with a total of 4 management positions out of 6 taken by females. This allows for key input from female employees in regards to strategy and decision making.
- Everyone has at least 5% of monthly working time spent on training.

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SDG 9: Build a resilient infrastructure to promote a sustainability and foster innovation

Vision and implementation

Among the factors that affect how quickly a business will grow, one of the most important ones is efficiency. This year, we focused on how to improve and enhance our current workflows to achieve effectiveness and high efficiency. We believe that an effective workflow by providing the framework through which all tasks are done are crucial to streamline our process and waste management.

What have we done:

- We setup a Lean Management team (5 members) to work with the managers of each team to evaluate the current workflows, to identify its value and waste, to map the value stream, to propose a new workflow and implement it to daily operations.
- We integrated all the physical and virtual components of company's systems into one single system in order to have a one source database for analysis and presenting.
- We create a realtime and online financial reporting, a realtime and online production reporting to enhance management efforts and faster decision making.

Measurement of outcomes

- Clearer workflows and processes of company's tasks and jobs.
- Successfully identified waste and outdated workflows and proposed a new workflow processing.
- Successfully created a demo production reporting for overview and evaluate the current workflows that gives us reduce 50% mistakes in productions
- Successfully created a demo financial reporting with all necessary analytic figures and ratio → reduce 40% of time spent for making reporting and 60% human typing mistakes.