

Communication On Progress

Implementing UN global compact principles in Jubaili Bros (2016-2017)

COMMUNICATION ON PROGRESS (COP)

Period covered by the Communication On Progress (COP)

From: May 2016 To: APRIL 2017

1. STATEMENT OF CONTINUED SUPPORT BY THE OWNER

April 21, 2017

To our stakeholders:

Excellence is one of our values, and ensuring commitment to excellence is an inevitable goal for us to achieve. I truly believe that excellence cannot be completely obtained unless we have a sustainable vision to which we are fully committed. Therefore, we at Jubaili Brothers hold ourselves as strictly pledged to adhere to the ten principles of the Global Compact in the areas of human rights, labour, environment and anti-corruption.

We are pleased to present our first COP – a first attempt towards sustainability by embedding a new culture through mainly focusing on two areas as labour, human rights, as well as on the environment. We ensured implementing some of the Global Compact's Sustainable Development Goals; which merely relate to Quality Education and Affordable & Clean Energy. We are also keen on sharing this information with our stakeholders through various means of communication.

Yours Sincerely,

Ramzi Jubaili CEO



2. DESCRIPTION OF ACTIONS

Jubaili Bros is a member of Jubaili Group Holding, which is incorporated in Lebanon, and which manages several companies in the Middle East, Africa and Asia. Jubaili Bros specializes in the Electro-Mechanical field. Jubaili Bros' roots go back to the 1940's with the Rajab Jubaili Establishment that started its operations in the city of Sidon, Southern of Lebanon, and rapidly expanded beyond Lebanon and became active in several Arab countries as well as in Africa.

In May 2016, Jubaili Bros joined the Global Compact Network Lebanon, which is part of the United Nations Global Compact (UNGC) initiative. The main stakeholders are our employees and the community (Clients and Society – locally and globally).

Jubaili's main aim was to foster a culture of CSR where it is fully integrated in the company's values; hence, in the employees' daily operations. This integration did not face any change resistance and on the contrary, employees were encouraged and got involved in some activities.

Moreover, Jubaili has spread its sustainable message - our commitment to the UNGC - to the clients whether locally in Lebanon or globally in Africa, Asia, and the Middle East.

Environment

<u>Undertake initiatives to promote greater environmental responsibility</u>

- One of our activities related to the community was to collect bottle caps for recycling as a contribution to one of the Lebanese NGOs Arcenciel (who's also an NGO member of the UNGC Lebanon network) in order to manufacture wheelchairs using those bottle caps.
- We intended to involve our clients by putting bins at our premises
- We also encouraged some schools and universities in Saida by urging their students to be part of this sustainable activity where they felt happy about helping the society.
 - o "...the students got totally involved by not only collecting bottle caps at schools, but also influencing their parents by bringing double the amount to school". as mentioned by one of the professors.
- Our aim on one level is to be environmentally friendly while undergoing more green studies
 such as reducing carbon emissions; and on another level to ensure healthy lives and promote
 well being for all of our employees. The technical departments are in charge of evaluating
 performance by issuing reports so that we can publish them on our website and social media in
 order to spread our sustainable message and lead by example.

Encourage the development and diffusion of environmentally friendly technologies.

• On the environmental level, and under the SDG of Affordable & Clean Energy; Jubaili bros has been taking green initiatives few years ago like paper recycling, purchasing LED lights, and

- using lamp timers to reduce electricity consumption.
- Following Jubaili Bros Dubai, who have already begun with solar energy projects, Lebanon is currently initiating its first projects.

Human Rights

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

Make sure that they are not complicit in human rights abuses.

• In order to protect the rights of labourers working with Jubaili Bros, it is worth noting that Jubaili Bros has created a health and safety committee to control work accidents through ensuring employees' adherence to rules and procedures.

Labour

The elimination of discrimination in respect of employment and occupation.

- Jubaili Bros does not exhibit discrimination on the basis of nationality in terms of employment. Our main aim is to provide opportunities to the Lebanese and non-Lebanese youth by offering internships and most importantly employing our star interns 3 got employed last year-.
 - O We monitor performance by preparing an annual internship report stating in it the number of enrolled applicants and we publish it on the website to share it with our stakeholders. As an illustration; In 2016, we received in total 121 applications; 68 engineering, 36 administrative and 17 technical. We enrolled 54 interns in Saida (Head Office), 3 in Beirut, and 5 in Tripoli.
- Jubaili Bros also aims to integrate inclusivity in employment by not discriminating against employees with disabilities.

Anti-Corruption

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

 Jubaili Bros monitors anti-corruption by tasking our internal audit department and external auditors to perform periodic audits on our financial records in order to ascertain the validity and reliability of information.

3. MEASUREMENT OF OUTCOMES

Safe labor conditions

• By reducing the number of work accidents and injuries from 87 and 79 in 2014 and 2015 respectively to only 36 in 2016 (-54%).

Non-Discrimination in the workplace

• Inclusion of employees with disability in the workplace (6 employees – 2 in the administration and 4 in the workshop).

Environmental initiatives

• By purchasing 88 Led Projectors for our warehouses and 208 Led Lights for the offices. On another note, we have collected 220000 bottle caps for recycling purposes.

Anti-corruption policies

• Through our internal auditors who conduct auditing activities across the branches all year round; similarly, our external auditors visit us twice per year to perform audits of the financial statements.

Future Initiatives:

In the coming years we would mainly like to focus on engaging employees through creating a bigger CSR committee; in which we can enrich our CSR projects throughout diversified ideas and views. The latter would help us engage employees in learning activities such as team building to improve communication, conflict resolution, morale and motivation.

On the other hand, we would like to focus on our environmental projects especially solar energy that would certainly give us a competitive advantage in terms of sustainability and green-thinking.