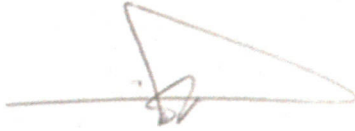


## GB Auto Communication of Progress

*"I am very pleased that GB Auto is supporting the Ten Principles of the United Nations Global Compact, through submitting its first annual Communication of Progress. As a company we aim to set high standards of commitment to developing and enhancing the areas of Human Rights, Labor, Environment and Anti-Corruption throughout the company, ensuring that those principles are integrated into our business culture and operations. We are looking forward to announce our latest developments in our communication of progress in the coming years."*

Kind Regards,

Raouf Ghabbour



Chairman & CEO

GB Auto



## Human Rights

### Assessment, policy and goals

- We write our company policy on respecting Human Rights and preventing potential abuses (e.g. in code of conduct) - this has been concluded and shared with employees
- Assessment of Human Rights related risks in the activities the company deals with (press relations, corporate communications strategies and services, and media monitoring - clipping and reports)
- GB Auto's goal is to influence that our employees and all our business partners respect the Universal Declaration of Human rights and environmental protection. Based on our commitment we have set up a code of conduct, published on our company's portal, to make our position clear for all our employees and partners. Our Code of Conduct complies with the Labor law standards and other international conventions
- The activity of GB Auto abides by the local and international legislation regarding the respect of human rights. The values we support are concern for the customers, employees, partners and shareholders, impeccable quality of the products and delivered services, and the responsibility to the communities where we develop our activity
- The company GB Auto has developed and applies internal procedures dedicated to the management and employees regarding the respect of human rights, quality standards, work safety norms, integrity and responsibility towards the environment. These procedures are periodically updated

### Implementation

- There is a suggestion box in the HR department and every employee is encouraged to raise issues whenever they feel it is necessary. Monthly staff meetings have a room for discussion of Global Compact issues
- We have published and actively informed all employees of our commitment and encouraged them to commit as well

- We have consistently informed the employees whenever necessary through internal communications on the company's activity, according to the internal communication procedure – we have sent over 20 internal information, including newsletters, by our vacation trips and summer trips for our employees and their families, also we announce for internal and external football tournament
- A fire drill has been organized regarding the way of the employees" evacuation in case of fire at the work place. All 6000 employees participated
- We have encouraged the right to professional training. In 2011 have been organized 100 sessions of internal and external courses with a number of 400 participants – graduates
- The employees driving the company cars are subject to a specific medical checkup every 6 months

#### **Measurement of outcomes**

- There have been very few suggestions collected from the suggestion box as far as Human Rights are concerned, because staff meetings reserve some time for discussion of human rights issues
- The same newsletter is posted in our electronic portal and news board, where the monthly number of views varies about 4000. This shows that our newsletter is a good channel to promote the Global Compact, as well as our electronic portal
- We have a system in place that encourage employees, clients and partners to report back if they suspect any wrongful doing in regards to our CSR guidelines and Code of Conduct. No reports have been filed since the system has been implemented



## Labor

### Assessment, policy and goals

- An tacit agreement between Mgt. and Employees emphasized quality of life even outside working hours as the company is doing its best to help improving its employees quality life
- GB Auto supports the UNGC principles on labor standards in addition to following local laws on labor rights.
- The employees of our company have the freedom to join the labor union, at their choice.
- All employees are free to be part of any association or nongovernmental foundation.
- Every employee has the right to negotiate his/her salary.

### Implementation

- All employees are now entitled to medical insurance
- All employees are encouraged to enjoy their weekends by the one day trip or one week vacation with their families to improve the quality of life of employees and their families
- Our written Code of Conduct regulates our policies and is compliant with UNGC principles and the Egyptian labor standard. The documents are published on our electronic portal and handed out during training internally
- All employees have benefitted from private medical insurances and annual medical check up
- All employees have benefitted from private life insurances
- All employees have benefited from free transport possibilities to and from the company
- All employees have benefited of meal on site or meal allowances (based on position)

**Measurement of outcomes**

- Reduction of stress levels
- Reduction of days referring sick leave
- Company encourages employees, clients and partners to report back if they suspect any wrongful doing in regards to our CSR guidelines and Code of Conduct
- No reports have been filed since the system has been implemented

## Environment

### Assessment, policy and goals

- The company goals towards sustainability involved not only the promotion of internal initiatives in the subject, but also the inclusion of events and communication actions for clients with a focus in the environment. Our new electronic portal and the upcoming new website, due for 2013, will include a specific page highlighting protection of the environment and sustainability
- GB Auto's support the principles of the Environment. The principles have been included in our CSR policies and our Code of Conduct. We have also been certified after a national standard, which systematically monitor our, our suppliers and our partners when it comes to environmental focus in daily business routines.
- As leader on the Automotive market, our company assumes its responsibility towards the environment, by promoting good practices in environmental issues and cultivating these values through its policies of partnerships, through involvement in programs developed by organizations from the business environment and the nongovernmental sector.
- GB Auto's focuses its efforts towards a sustainable development, both as regards the economic financial performance and as regards the social and environment performances. We appreciate that long term development can be based only on a strategy where the financial and market objectives are compatible with the expectations of the main co-interested groups, customers and partners, shareholders, employees and community, as well as with the legal and moral obligations concerning environment protection.

### Implementation

- We organized two workshops on sustainability at the workplace and at home One employee attended a 3-day seminar on sustainability in business and cascaded its contents to colleagues  
Our quarterly newsletter will include texts about green companies and their initiatives worldwide and communications campaigns of any nature (advertising,

public relations etc.) aimed at sustainability; the same contents will be posted in our website and electronic portal and sent to past and current clients and stakeholders

- GB Auto's strives to minimize the environmental impact of our activities. We have had a thorough audit of our business and put in place several actions to further minimize our environmental impact. We continuously work with our environmental actions and strive to be innovative when it comes to environmental friendly products and services.
- We encourage internal and external communication via email, to detriment of paper
- We have continued to apply the employees' mobility plan
- We made investments in appliances with low energy consumption: computers, servers, displays, peripherals, lighting fittings, electrical equipment
- We organize activities of paper collecting and its transmission to the recycling centers, on a regular basis

#### **Measurement of outcomes**

- GB Auto obtained ISO 14001 in quality
- Our newsletter reaches around 2,000 contacts
- The employees' mobility plan ensures a reduction of carbon dioxide emission as much as possible practically, our company provides on a daily basis a number of buses to transport employees from various locations in the Capital City to the office and back to their houses. Every day there are 70 buses commuting from different areas to transport 3,500 employees
- The cable network and the air conditioning system installed on the new premises allow increasing the efficiency of the energy consumption by over 20%.



## Anti-Corruption

### **Assessment, policy and goals**

- The company has a zero-tolerance for corruption, bribery and extortion since its foundation, which took place before adherence to the Global Compact  
The risk of corruption and bribery is almost null because any possible concerns are dealt with as soon as they arise  
On no account does the company either works or establishes relationships with companies which do not follow ethical practices in their business
- GB Auto's supports the UNGC principles on anti-corruption. We work strongly against corruption in all its forms, including extortion and bribery
- Our company fights against any forms of corruption including bribery, political influence, external pressure or extortion

### **Implementation**

- There have been no incidents so far and staff is fully aware that they should talk to their line managers immediately in case there are causes for concern.  
The company's CEO and staff are fully committed to following the principles of ethics in business and the principles that guide the Global Compact
- Our Code of Conduct includes our policies on anti-corruption and respond to incidents
- We will promote among our partners, customers, all interested groups the company's anti-corruption manual – including posting on the website and electronic portal of the Sustainability Report where it is explicitly expressed the fighting corruption attitude

### **Measurement of outcomes**

- All financial transactions, due to law requirements and to avoid biased reporting
- We have a system in place that encourage employees, clients and partners to report back if they suspect any wrongful doing in regards to our CSR guidelines and Code of Conduct. No incidents have been reported since the system has been implemented
- An Internal Audit Dept. within the organization to inspect periodically on all company's operations, checked by external accountants