



16/06/2005

His Excellency Koffi Annan
Secretary-General
United Nations
New York, NY 10017
USA

Your Excellency Secretary-General:

This is to confirm that "Allied Soft / AITS" will collaborate with Global Compact with respect to human rights, labor rights, anti-corruption and environment protection. "Allied Soft", as well as "AITS" which is its subsidiary company, commits itself in making Global Compact and its principles part of its strategy, culture and day-to-day operation.

It has been almost one year since we started our efforts to implement the GC principles in our company. The time and efforts were more into achieving culture change. The corporate culture consists of multi dimensions; the geographical locations, rural and urban areas, the different professional background and the centrally management decision. The situation was difficult to implement all in one step. We have created new culture among the company now. The total staff (around 500) in all locations: Cairo, Alexandria, Ismailia, Mansoura, Tanta, Fayoum, Bani Sweief, Minia and Assiut.

- The problem

The company has long history in development of human resources in Egypt. Our strategy is to turn intensive human resources as wealth rather than burden to find them jobs. As a result, the culture of the business hunting changed into capitalizing on the HR element. We have succeeded to conduct 7 million training hours during the past 10 years. However, the centrally management system in Cairo did not allow for full transparency to exchange ideas with all members of the staff. Several incidents regarding the rights of the staff were not clearly presented to the management. The turnover was relatively high which created frustration and lose of investment in qualifying the staff.

- The Solution

We have developed multi track efforts and action groups: Policies and Procedures group, culture group, infrastructure group, and management group. All four groups working parallel and have weekly coordination meeting to alter the culture and develop situation that create turn around .



The PP group developed manuals of policies and procedures that governs the company financial, administration and operational activates with all forms and authorities needed to implement those PP. It was developed in very simple language to be able to be available to all company levels.

The culture group conducted several meetings biweekly in different locations and different management level to pursue human rights concepts and human resources (labor).

Our company does not use the term labor as reflecting our staff. They are owners and partners of success, that is our current culture. The new communication channels established to have fast response from any member of the company to take action and study all problems and find solution.

The infra structure group developed the wide area and local area network and using Information Technology as tool of communication. Almost all staff have email and can communicate back and forth. We also have assigned the Company Business Manager to champion this communication.

The management group conducted restructuring exercise and has currently flat organization and restructures the operation to be independent project teams. It has created empowerment commitment authorities to ease the situation.

Finally, we have on-going task force for assessment of our implementation of the GC principles; this task force consists of 3 entities: the Cairo University, American University in Cairo and the Company Business Manager. We are expecting to finalize this assessment by September 2005, we hope we could have chance to present our case to other members then.

Sincerely Yours,

Mohamed Reda
Chairman Allied Soft
AITS CEO



The following illustrates "Allied Soft / AITS" strategy with respect to the four defined categories, Human Rights, Environment, Labor Rights, and Anti-Corruption.

Human Rights:

"Allied Soft / AITS" have succeeded in avoiding any complicity in human rights abuses. The company does not discriminate between its employees regarding their race, religion or gender. The staffs in our company are distributed such that 45% are women, 90% Muslims and 10% Christians.

"Allied Soft / AITS" respects all religious practices, where employees are allowed time for prayer (Christians are allowed one hour delay every Sunday morning and Muslims to pray during the day according to the scheduled praying time). All Muslim and major Christian holidays are paid holidays in addition to five Christian Celebrations where Christians only can have paid religious holidays.

Environment:

Environment is an important issue in our Company. Green areas, highly equipped offices with air-conditions, healthy chairs, spacious offices, and communication facilities are all important parameters in our organization. In addition we have a garden in each location that all staff can gather and have their daily recreation in a family spirit manner.

The company is using paper extensively; we are having recycling policy to make use of all papers and then shred them later on for a specialized company to collect.

Labor Rights:

The total number of hours per week for each employee is 40 hours, i.e. 8 hour/day for 5 days. Any extra hour or any work during a scheduled vacation/holiday is compensated according to the company rule. All employees have the right to refuse to work on any official holiday.

With respect to Married Women with children, they are allowed to leave the company one hour earlier than the regular scheduled daily time. Pregnant Women are allowed two months paid maternity leave with the option of an extended three months unpaid leave.

All employees are allowed unpaid leave for a limited period; this is based on a case by case study.

No child labor is allowed in the company and the company does not tolerate with this matter.



All expenses and certain compensation are allowed for the families of any employee in case or his death or he is disabled and not able to work.

The Company offers and gives all employees a chance to improve themselves, by providing advanced training in different subjects, either inside the company or with Local & International Companies.

The Company is concerned with social activities between its employees and their families to keep the good relation among them.

Financial and economical security is one of the most parameters that are taken care of in order to secure the Company's employees.

Challenging and Competitions between employees is an important issue to motivate them to work harder and achieve the best expected results.

Anti-Corruption:

The Company is against any type of Bribery. Any Employee who seeks or solicits bribes is expelled from the company.

Employee who does not work or his/her record is not up to the standard is given a notice after which he will be expelled if his behavior does not change.