

CCC

CONSOLIDATED **C**ONTRACTORS **C**OMPANY

A

CORPORATE **C**ITIZEN **C**OMPANY

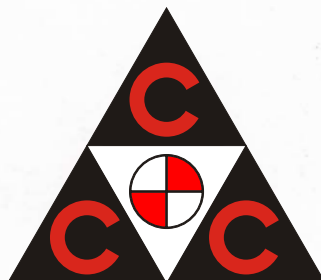


A

COMMUNICATION ON PROGRESS

RE

THE UNITED NATIONS GLOBAL COMPACT INITIATIVE



JUNE, 2005

Statement By The President

CCC is an international construction company and wishes to be recognized for being a responsible Corporate Citizen.

CCC continuously strives to operate in a manner that is conducive to fulfilling its corporate citizenship mission whether economically, socially or environmentally.



CCC believes that an optimal balance between social, environmental and economic pressures will safeguard the long-term prosperity and sustainability of the company.



CCC's our Corporate Citizenship policy which is the basis for decisions and actions at all levels and throughout the world, is consistent with CCC's published Code of Practice and covers all aspects of our Health, Safety and Environment (HSE) Guidelines and the UN Global Compact, of which CCC is a member.



Management Commitment to Corporate Citizenship & The UN Global Compact

In a growing world of economic, environmental and social challenges, CCC strives to commit itself to the principles of good corporate citizenship. We believe that business entities have the potential to help transform global society for the better, without sacrificing profitability.


CCC is dedicated to its Corporate Citizenship development through enhancing its performance while benefiting the society and preserving the environment it operates in. Corporate Citizenship has become an integral part of our business. Not just on paper, but in our day-to-day operations and decision making

Our Corporate Citizenship development initiative emanates from our "Core Values, Guiding Principles and Code of Practice" published few years ago and distributed to all employees.

Another driver is the United Nations "Global Compact Initiative". Few years ago, CCC was one of the corporations to readily commit itself to the Global Compact, a remarkable initiative sponsored by the United Nations' Secretary General Kofi Annan. It is based on a very simple notion: whether or not required by law, corporations should enforce basic human rights and accepted labor and environmental standards in all their business activities. CCC

stands by these principles and actively implements them within the scope of its commercial activities.

This report is a summary of and communicates our corporate responsibilities to our customers, shareholders, employees and the countries we operate in.


Said Khoury, President

Corporate Profile



The Consolidated Contractors Group better known as CCC, is an international construction company operating principally in the Middle East, all the Gulf region, Africa, Europe, the Caribbean, Central America, USA, CIS and South East Asia, with its headquarters in Athens, Greece.

In five decades of operation, CCC has grown to become one of the leading contractors in the international construction field, with over 60,000 employees composed of more than 60 nationalities.

SCOPE OF SERVICE

- CCC provides Engineering, Project Management, Procurement and complete Construction services for Oil, Gas, Petrochemical and Industrial Plants and for Civil, Municipal works, Housing and High Quality Buildings.
- Industrial Plant Construction including all Mechanical, Civil Electrical & Instrumentation Works.
- Heavy Civil Construction for Power and Desalination Plants, Water and Sewage Treatment Plants, Airports, Bridges and Highway Interchanges, Harbours and Docks.
- EPC for Pipelines (Oil, Gas, and Water).
- EPC for High Quality Buildings, Industrial Buildings and Infrastructure Works and Networks.
- Construction of Highway and Roads.
- All the services are conducted in conformity with the highest Safety and Quality requirements (CCC was awarded Quality Certification by BVQ1 to ISO 9001 and ISO 9001 and ISO 9002).

Commitment to Sustainable Development

Since its conception in 1997, CCC's HSE department has been an active unit, integrating the Health, Safety, and Environmental concepts into the company's culture and striving to ensure an innocuous working environment for its workforce and that of its subcontractors.

Dedication to Health, Safety, and Environment is one of CCC's highest priorities that is emphasized in CCC's Mission Statement.

CCC has maintained since 2001 the OHSAS 18001 certificate for Occupational Health and Safety and the ISO 14001 certificate for Environmental Management systems (certified by Bureau Veritas Quality International (BVQI), attesting that the company is dedicated to ensuring the health and safety of its employees in addition to embracing environmental conservation according to international standards.



MISSION STATEMENT

CCC is a leading diversified company carrying out construction, engineering, procurement, development and investment activities internationally with emphasis on the Middle East region.

CCC is committed to providing reliable, amicable, and professional service to our valuable clients, and to being supportive to local businesses and social activities, friendly to the environment as well as being proactive in the socio-economic environments within which it operates.

Appreciation of CCC's clients' interests, evidenced by meeting their requirements and insuring high quality work, is the prime directive of management.

CCC's growth and profitability, maintained through innovation, technical enhancement, and adaptability to all CCC's markets. It's profitability is directed towards sustaining growth and to providing satisfactory returns to shareholders.

CCC's commitment to growth is firmly linked to our commitment to our employees' continuous development and rewarding careers. CCC is also devoted to our employee's safety and health, job security, and welfare. Our strength emanates from our distinct culture, strong and close relationships with our clients, employees' competence and loyalty, entrepreneurial and flexible management, capability, dynamism, focus on quality and safety, and commercial acumen.

The “Nine” Principles of the UN Global Initiative

Human Rights

Principle 1

Businesses are asked to support and respect the protection of international human rights within their sphere of influence; and

Principle 2

Make sure their own corporations are not complicit in human rights abuses.



CCC's Human Rights Policy

- *One of CCC's core values is based on the fundamental rights of every individual, such as the protection of privacy, freedom of opinion and expression, freedom of association, nondiscrimination, and the right to be heard.*
- *CCC is committed to protect and promote human rights as defined by the United Nations within our sphere of influence. CCC will not tolerate human rights abuses within its own business operations.*

➤ CCC EMPLOYEES HAVE THE RIGHT TO A SAFE WORKING ENVIRONMENT

In 2004, CCC recorded more than 150 Million man-hours in more than 30 countries worldwide with a manpower exceeding 65,000 direct and indirect hire and without any major accident. CCC recognizes the fact that its employees are its most valuable asset. Providing them with a safe and healthy environment is of utmost importance. Our project managers promote the motto of "safety always" on their projects.

CCC's efforts to promote safety and uphold safe practices are characterized by the continuous revision and enhancement of its procedures, the extensive training of its personnel, and the continuous development of safety programs. Employees are obligated to undergo a Health, Safety and Environment (HSE) induction and training program educating them in HSE requirements and standards. Employees receive a new start induction covering: Project overview, understanding hazards, Site Security Arrangements, Toolbox Talks, Fire Prevention, etc.

CCC takes into account the cultural and lingual diversity of its workforce. Consequently, all induction and training programs are provided in different languages according to project location and workforce nationalities it encompasses.

PROTECTING THE HEALTH AND WELLBEING OF OUR EMPLOYEES IS ONE OF CCC'S HIGHEST PRIORITIES

We give prime importance to the welfare of our employees. Operating in High-risk areas in term of health and infection control e.g. (Africa, Kazakhstan, etc.) burdens CCC with a high

responsibility and demands extra effort by the company to protect its employees. Employees operating in projects in such risky areas are subjected to increased risk of contracting Malaria, Hepatitis, HIV, etc... This necessitates the development of effective health monitoring and vaccination programs to counteract the risk infection.

CCC has assigned medical teams with full equipped medical facilities to all of its projects. CCC provides healthcare access to all of its employees, therefore upholding the concept of equity. Employees operating in high-risk areas are continuously monitored and provided with the necessary vaccination in order to prevent them from contracting infections.

Labor

Principle 3

Businesses are asked to uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4

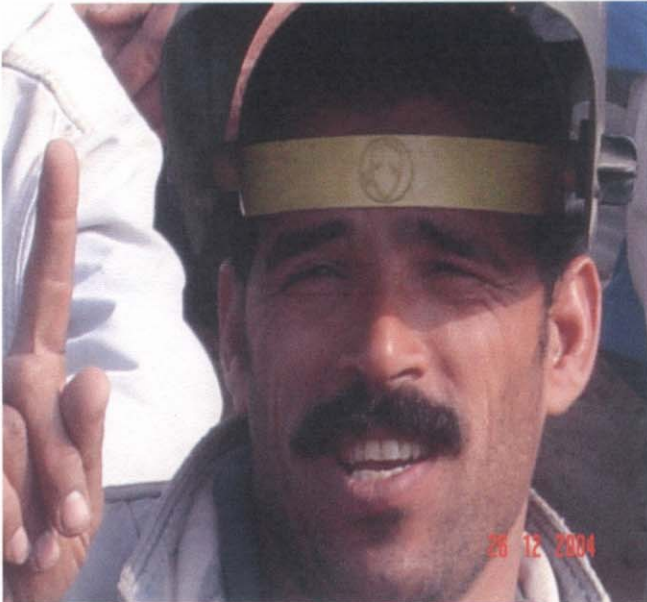
The elimination of all forms of forced and compulsory labor;

Principle 5

The effective abolition of child labor; and

Principle 6

The elimination of discrimination in respect of employment and occupation.



At CCC Safety comes first
with no discrimination



Tool box talk on safety &
collective bargaining

CCC's Labor Policy

- *CCC believes in constructive dialogue with its employees and supports the principle of freedom of association.*
- *CCC pays competitive and fair wages without discrimination, which clearly exceed what is needed to cover basic living needs. CCC wants its employees to have time for family, social activities, and leisure.*
- *CCC strives to provide its employees with a stimulating and challenging working environment and with opportunities for personal and professional development, while expecting from them a high level of performance and commitment to the success of CCC.*
- *CCC recognizes and respects the cultural differences found in its various markets. CCC will always strive to build and sustain diversity by attracting, developing, promoting and retaining the best people from all cultures.*
- *CCC does not tolerate forced labor and other forms of exploitation. CCC conforms with the International Labor Laws. Child Labor is strictly forbidden on all CCC's projects.*

CCC'S EMPLOYEES ARE THE KEY TO ITS SUCCESS AND IT BASES ITS HUMAN RESOURCES POLICIES AND PRACTICES ON FAIRNESS, OPENNESS, AND MUTUAL RESPECT:

- CCC ensures that each current and new employee receives fair treatment based on merit, without discrimination because of sex, religion, ethnic background or of any other kind.
- CCC Management has always insisted that an open door policy should be the norm practiced by our Project Managers. Complaints are constructively received and immediate appropriate action is always carried out.

We are proud that all disputes between management and its employees are resolved amicably and there has never been a case raised against CCC in labor courts.

- CCC complies with legal requirements that apply in various countries. CCC employees are protected through local legal employment contracts that safeguard their rights.

- As an international construction company, CCC's workforce reflects diversity. We therefore highly oppose any kind of discrimination among our employees. Diversity is an asset at CCC, ensuring a richer variety of talents, skills, backgrounds and perspectives.
- CCC energizes the local economies by hiring locals to do subcontract work on our projects. We invest in the people of each community by providing training courses to the local workforce and develop their skills to provide them with a career in the construction industry.

In Azerbaijan 60 courses and seminars were delivered to more than 2500 attendees on various topics. 70% of the manpower hired on this project is local.

- CCC conducts regular audits over its projects, and subcontracts to ensure that forced labor and child labor or abuse do not exist.

Environment

Principle 7

Businesses are asked to support the precautionary approach to environment challenges;

Principle 8

Undertake initiative to promote greater environmental responsibility; and

Principle 9

Encourage the development and diffusion of environmentally friendly technologies.



CCC's Environment Policy

CCC wants to be a leader in Health, Safety and Environmental Protection (HSE)

- *The Health and Safety of its employees, neighbors, customers, consumers and all others affected by its business activities, as well as protection of the environment are of paramount importance and have priority over all else.*
- *CCC will strive to make efficient use of natural resources and minimize the environmental impact of its activities. HSE implications are assessed to ensure that any benefits of new products, processes and technologies outweigh the related environmental or safety risks.*

The environmental challenges in the field of construction led CCC to promote environmental commitment on all of its projects and to articulate this commitment in an Environment Policy Statement combined with Health and Safety.

The overall potential environmental impacts that are associated with CCC Construction activities and the implementation control measures to sustain a clean environment are categorized as follows:

➤ **Solid waste:**

Solid waste generated from CCC construction sites is mainly from demolition, concrete, soil, and industrial remains (metals, timber, cardboards, etc.) in addition to solid wastes generated from site recreation, camps, offices and mess halls. In general, this type of solid waste is not a real burden on CCC or a hazard to the environment. It is mostly used in excavations backfilling, surfaces covers, and foundations support. However, other solid waste such as metals and timber are collected, sorted, and reused, or sent to landfills for disposal.

Wastes generated from camps and offices (food waste, paper, cans, etc.) are mostly biodegradable and are sent for land filling or composting but not incinerated on-site. However recyclables (cans, glass) are collected, sorted and transported in agreement with local authorities to determine their end use.

➤ **Air Pollution from mobile and stationary construction equipment**

The major sources of air pollution from CCC construction projects are construction machinery and vehicles. These gas emissions may have an effect on Global Warming. However CCC construction sites' releases of these gases are minimal and even below allowable limits. The

fact is that all used fuel-operated machinery and plants are certified for good quality operation and tested for uncontrolled gas releases.

➤ **Wastewater effluents**

The water used for cleaning, flushing and cooling purposes in CCC construction projects will generate wastewater that may pollute ground water and sea water unless controlled and treated with appropriate treatment methods. CCC complies with the laws and regulations of the host country, which require testing the effluent wastewater for chemical and biological indicators before disposal.

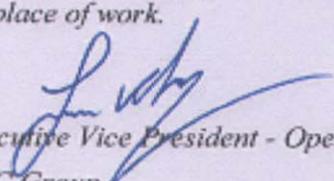
➤ **Hazardous wastes, chemical and oil spills**

These are common materials used in the construction industry. They are generally toxic to humans and the environment especially when vaporized to air and when spilled onto the ground. CCC has outlined work procedures to control potential risks and promote safe and correct handling methods and insure compliance with the manufacturing co. manuals re these chemicals.



Consolidated Contractors Company (CCC)
Health, Safety & Environmental Policy Statement – Oct 2001

- *CCC Group's Goal is to provide and maintain a healthy and safe work place as well as to protect the environment at all times.*
- *The Group recognizes that the responsibility for the employees safety and health requires the constant and continuing effort of a partnership involving CCC's management, its employees, the client / owner, and CCC's Subcontractors.*
- *The Group will comply strictly with all legally mandatory and Internationally accepted work practices and procedures for the protection and promotion of the health, safety, and environment for all its employees and others, who may be affected by the group's activities.*
- *The Group will strictly adhere to all relevant site safety and health standards and regulations, job work rules and procedures.*
- *The Group will emphasize the promotion, development, dissemination, implementation, effectiveness, and improvement of its Health, Safety and Environmental Management System.*
- *CCC will perform rigorous and frequent audits to ensure that the HSE Policy and HSE Management System is effectively implemented throughout its organization.*
- *CCC shall place the Health and Safety of all the employees and Environmental Protection and pollution prevention above any other consideration of job operation or administration.*
- *All CCC Employees shall work conscientiously and diligently to execute the Group's HSE Policy by maintaining the highest standards to prevent human suffering and losses, which result from unsafe malpractice.*
- *CCC emphasizes the continuous implementation and upgrading of its HSE Awareness Program through the HSE Management System's comprehensive educational and training program.*
- *CCC Group's ultimate goal is to prevent all occupational incidents, promote Health and Safety for the people and impose Environmental Protection at the place of work.*


Executive Vice President - Operations
CCC Group

Benefit to Society

One of the most significant impacts resulting from CCC's activities in the construction industry is the socio-economic influence of its projects on the local community in which it is active. CCC has developed schemes aimed at community development by increasing local participation in the work.

We promote community development initiatives that advance the economic, social, cultural & civil rights of individuals and communities while respecting local culture and traditions.

EDUCATION

After decades of conflict, the challenges confronting education in CCC's Middle East markets particularly Palestine, Lebanon and Jordan are vast. Dilapidated schools, interrupted semesters; trauma caused by violence; and grinding poverty are depriving many young people of education they deserve.

The Said Khoury Information Technology Center of Excellence at Al-Quds University was named after CCC's President who generously donated the funds to build and establish the Center. The center's mission is to train about 200 students each year for high quality jobs.

COMBATING HIV/AIDS

In many developing countries, AIDS is not only one of the greatest health problems, but is increasingly a social problem as well. Children whose parents die of AIDS related illnesses face the worst imaginable opportunities in life. CCC became a member of the Global Business Coalition on HIV/AIDS. GBC is an organization leading the business fight against HIV/AIDS and the only business led organization committed to harnessing the power of the business community to fight the epidemic.

For example, in the region of Botswana and Mozambique CCC has sponsored a project to provide care for AIDS orphans in the region.

ENGAGING OUR PEOPLE IN THE ENVIRONMENT

In November 2003, CCC, in collaboration with the Azerbaijan Institute of Botany, implemented a seed collection program involving local communities. Villagers were trained in collection techniques, including classifying and sorting plant species and recognizing indicators of seed maturity. 10,000 kg of seeds were collected. Villagers were paid according to the weight of collected seeds. The success of this program demonstrated that the involvement of the local communities along the pipeline route is an indicator of environmental leadership. The program has provided an opportunity for local community and project's staff to learn about the importance of environmental conservation and in particular biodiversity conservation.



CONCLUSION

Committed Corporate Citizenship is always a work in progress like the rest of our business. Every activity and practice highlighted in this brochure is active and ongoing. We look forward to continuing to make a lasting difference, economically, socially and environmentally in the lives and the communities where we do business.