

DAL MOTOR COMPANY LIMITED

United Nations Global Compact Communication on Progress Report

2013-2014

1. Table of Contents:

1.	Table of Contents	2
2.	DAL Motors Company Background	3
3.	DAL Motors' UNGC Membership:	4
4.	Statement For Continued Support For the UNGC Principles	5
5.	Report on Commitment and Implementation	6
	5.1. Human Rights Principles	6
	5.2. Labour Principles	10
	5.3. Environment Principles	11
	5.4. Anti Corruption Principle	12
6.	Availability of This COP	12
7.	Focal Person Contacts	13

2. DAL Motors Company Background

DAL Motors is the exclusive dealer for a range of international commercial and passenger vehicle brands in Sudan. The company was established in 1994 with its appointment as sole distributor for Mitsubishi Motors. The success of this initiative lead to DAL Motors being selected as the distributor for a range of further vehicle brands such as Mercedes-Benz, KIA Motors and Fuso. These partnerships have paved the way for DAL Motors to become the country's leading automotive business. In addition to vehicles, DAL Motors offers its customers a range of products and services:

- Used car sales.
- Accessories, car entertainment systems, tyres and batteries represented by the global brands Bridgestone, Exide, Bosch and recently ENOC oil and lubricants.
- A network of fully equipped, well stocked service and parts workshops across the country.
- A mobile service and repair team.
- A high tech body repair shop.
- Corporate services including leasing and rental.
- A dedicated customer care team to follow up enquiries and provide after-sales support. Our unrivalled vehicle partnerships are built on delivering excellent to both our partners and our customers. DAL Motors has one of the most developed and mature networks of service, parts and maintenance locations in the country. Fully equipped workshop facilities are strategically located alongside

mobile service units offering the full range of support services, whatever the requirement. We have a centralised parts management operation which handles a massive volume of transactions every day ensuring all our workshops and branches are suitably equipped to operate.

3. DMC's UNGC Membership:

Participant since: 20/5/2009

Country: Sudan

Employees: 560

Organization Type: Company

Ownership: Private Company

Sector: Industrial Transportation

4. Statement for Continued Support for the UNGC Principles



Statement of Continued Support for the UNGC Principles

On behalf of DAL Motors Company ltd, it is my distinct honor to confirm our company's steadfast commitment to the Ten Principles of the UN Global Compact with regard to Human Right, Labor, Environment and Anti-Corruption.

Our strong believe and convection is what leads us to become a signatory on the UN Global Compact. We truly believe in its principles and the importance of its application on our operational policies and procedures as well as our philosophies and general standards.

This commitment is not a onetime deal, for we continuously review and update our standard and test our compliance to ensure that our policies are responding to the current changing environment. This is done through our serious current strategies in order to identify and create shared value with pour varied stakeholders while we remained true to our environmental conservation commitment.

This is a progress report representing a brief account of our efforts on adopting the Ten UNGC Principles. As we have indicated above, we will certainly build on our accumulated experiences and work with the UNGC towards a meaningful implementation of the ten principles in all of our current and future strategic directions.

Lastly but not least, we are committed to make this report and its intended goals available to our stakeholders to further promote these objectives.

Yours Sincerely,

Brian Stevenson

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5. Report on Commitment and Implementation

Our Organizational Responsibility

As a new start in the engineering division of DAL Group which contains DAL Motors as one of its business units, a dedicated department of corporate social responsibility has been established.

This department ensures the continuing commitment by our business to behave ethically and contribute to economic development and improving the quality of life of the local community and society at large. It focuses on implementing projects that add value to our country, our people and our future generations.

We realize that making a positive change in the community starts by creating a corporate culture in which each DAL Group employee is aware of the importance of corporate social responsibility, how it aligned with our basic beliefs and how to translate that awareness into action in the daily work.

5.1 Human Rights Principles

DAL Motors, being part of DAL Group, has its internal policies, Code of Conduct and procedures to clearly be in compliance with the Universal Declaration of Human Rights as well as the Sudanese Human Rights Legislations.

DAL Motors is regularly conducting reviews on our supplier Code of Conducts and commitment of the Universal Human Rights Declaration in order to insure they are not, by all means, complicit in human rights violation or abuse.

Principle 1:

Business should support and respect the protection of internationally proclaimed human rights.

Principle 2:

Business should ensure that they are not complicit in human rights abuses.

DAL Motors encourages its employees to report any human right violation incident to their supervisors or the HR to immediately deal with it according to the approved internal procedures. Moreover, boxes were located among all locations of the company and email account is available for employees to submit their complaints and/or issues with regards to unfair treatment. These complaints are revised by a committee from HR and top management and are resolved immediately.

Also, there are online suggestions and surveys that aim to enhance the working environment for employees.

The progress in this area is to be measured by the number of incidents reported and actions taken in the reporting period. The number of audits DAL Motors conducts of our suppliers and contractors can be used as a measurement of progress as well.

Learning and Development Department

The learning and development processes in the company are varied according to each department's needs. Regular surveys are taken with the aid of the direct supervisors and managers to determine the strength and weakness areas in their employees which help the L&D department in conducting the required training sessions for them. Also, training sessions about the core values of DAL group are conducted to all new employees as part of company's transparency and to clarify the organization culture.

Furthermore, E-Learning is currently available for all employees and its obligation is free. This makes self-learning much more flexible and interesting because each employee learns according to his/her needs and preferences.

Employees' Performance Appraisal

In order to monitor and evaluate the performance of the employees, the performance appraisal reports are reviewed annually by the HR department and monthly by the direct managers. Whenever the performance is due or over expectations the employees are rewarded. And wherever there is a lack of performance, we seek to enhance it through the L&D department and direct supervision.

Good Communication- Bridging the Gap

DAL Motors company proved itself as a positive, accessible means to be reached by its internal and external stakeholders. The main rule of good communication is to keep its staff connected and engaged with each other and also to maintain good relationship with external stakeholders and wider community.

The result of a communication plan built from the top and carefully dispersed and clarified at each level of the business units ensures that every employee can instruct and promote a coherent corporate identity, outstanding image associations, business principles and genuine sense of corporate citizenship. In particular, we have developed our electronic communications through a set of optimized tools, technologies and sophisticated approaches to global communications. In addition to television-animated advertisements, an improved intranet and DAL portal, DAL Motors has spread its communication channels through social media to wide its circle.

Furthermore, we are proud to have our corporate magazine, Bridges and our electronic newsletter, and they are succinct yet diverse magazines with the latest news, interesting stories from the business units, educational pieces about DAL's strategy, insightful articles from board members and much more.

Essential part of employees' communication is the team building activities that play an important role in bridging the gap between different departments within the business unit. Especially, the *Hi Tea* activity where each department has the chance to have tea break with the general manager of its business unit to strength their relation.

Towards Community Activities

DAL Motors encourages its employees' initiatives to participate in social activities and contribute with them to make a better living. As Sudan faced a drastic fall season last year, DAL Motors with partnership with other sister companies had participated in "together for each other" initiative which was aiming to rehabilitate many houses that had completely been damaged due to heavy rains and had supported many families with food stuffs during that hard times they were going through.

DAL Motors had also made its contribution to health. An eye campaign had been held in one of its showrooms in another state far from capital. This campaign was sponsored by both DAL Motors and DAL Medical to one of the

biggest eye hospitals in Sudan which contributed by its medical staff to diagnose and cure patients for free. It had been very successful and beyond expectations. More than 1000 patients were examined and cured.

Another type of team building and outreaching activities that took place in DAL Motors is the staff participation in rehabilitation of two old schools nearby the company. This kind of activities aims to enhance the team work sense in the staff and also to give them a chance to participate and make a positive change in their communities.



Figure 1 Team Building Program towards the community 19 May 2014

5.2 Labour Principles

DAL Motors observes the issues of labour rights as a high priority and integral part of our HR policies. All of our labour standards and procedures are hold at high standards adhering to the labour international best practices as well as the Sudanese Labour Laws.

Channels of 360° feedback and dialogue is established and maintained between the employees, their supervisors and the management. These channels are facilitated and monitored through the HR department.

A good way to measure this feedback and reporting process is by the number of reports, incidents and interventions made by the HR and the management team.

All our recruitment / employment decisions are mainly about if the candidate meets the position's requirements and not on religion, beliefs, cultural bindings, race, gender, age, skin color, ethnic group, special needs, marital status, language, accent, political preferences or any other form of discrimination.

All the new employees go through orientation about safety and the organizations' missions, visions and core values.

Principle 3

Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4

Business should support the elimination of all forms of forced and compulsory labour.

Principle 5

Business should support the effective abolition of child labour.

Principle 6

Business should support the elimination and discrimination in respect of employment and occupation.

5.3 Environment Principles

Our Commitment

As part of our commitment to DAL values we have responsibility towards our people, community, environment and our country. This sense of responsibility is reflected in our day to day operations.

This commitment has already produced significant results especially with regards to material usage reduction, energy consumption, greenhouse gas emissions and reduction, packaging reduction among other areas demonstrating our ongoing commitment to improving the sustainability of our operations. Moreover, considerable cost reductions have been made; to prove that environment conservation will always have a business case.

Practicing that environmental responsibility requires that we assess our operations, identify key areas and innovate ways to manage our impact and turn waste into value where possible.

Principle 7

Business should support a precautionary approach to environmental challenges.

Principle 8

Business should undertake initiatives to promote greater environmental responsibility.

Principle 9

Business should encourage the development and diffusion of environmentally friendly technologies.

DAL Motors has embarked in Reduce. Reuse. Recycle (RRR), a DAL Group initiative, which was launched in 2011 aiming at effectively setting an example in the area of environmental responsibility and promoting behavioural change. Collection for used barrels and paper for recycling is ongoing.

DAL Motors has also launched the used engine oil collection initiative instead of improperly disposing it. The used oil is sold to engine oil recycle and reuse local business and the revenue of that is used to support DAL Motors staff social program and emergent needs.

DAL Motors is intended to expand our environmental initiatives as well as initiate a measurement to closely monitor our environmental performance

5.4 Anti-Corruption Principle

DAL Motors Corporate Governance system, as part of DAL Group, puts strong emphasis on the strict implementation of the Code of Conduct, procurement and financial policies.

All issues of anti-corruption are treated with high importance and urgency. We have zero-tolerance of any sort of corruption. All suspected incidents have to go through internal investigation/ audit committee and final reports and decision are reviewed by the top management.

Principle 10

Business should work against corruption in all forms, including extortion and bribery

6. Availability of This COP

This COP Report will be shared with our stakeholders through our primary channels of communications.

7. Focal Person Contacts

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