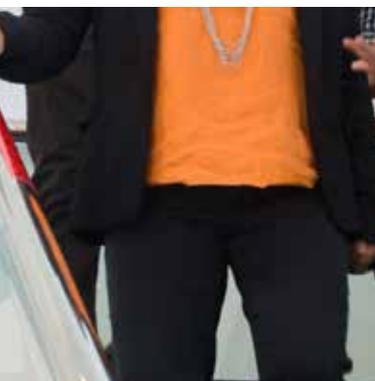


# Working Together for a Better Tomorrow



2013 Sustainability Report

## About this report

Welcome to our second sustainability report.

This report describes our overall sustainability approach and our efforts toward driving health and safety, enhancing employee well-being, reducing our environmental impact and contributing to community development.

Since our inception, we have collaborated with our stakeholders, such as employees, customers, authorities, NGOs and communities, to shape our corporate strategy and we are confident that our growth and achievements are the result of this approach.

We have chosen **“Working together for a better tomorrow”** as the leading theme for our 2013 sustainability report. It reflects our commitment to engage with our various stakeholders and to work together towards building a sustainable future.

Our report is developed according to best international practices, such as the Global Reporting Initiative (GRI) 3rd Generation (G3.1) Guidelines, a highly recognized framework for reporting on economic, social, and environmental performance (please refer to the GRI application level check at the back of this report).

We have also been a member of the United Nation Global Compact (UNGC) since 2011. This report highlights our efforts and progress towards embracing the UNGC 10 principles, a set of core values in the areas of human rights, labor standards, environment and anti-corruption.

We strive to ensure data completeness and accuracy through a meaningful data capture and aggregation approach based on Tristar’s management systems. These management systems have been developed, implemented and are continuously improved to provide leadership with the required information. An integrated management system, Enterprise Resource Planning (ERP), is under implementation to synchronize various process areas employing different applications. This will provide integrated reporting tools to support operational and strategic decisions.

In our continuous effort to improve the way we report, we revisited the boundary of our sustainability focus in 2013 and expanded it to capture our broader operations including Qatar, Kuwait and Oman, in addition to the UAE. This is a significant step forward in comparison with 2012. Gathering performance data and key achievements from countries other than the UAE will ultimately help us understand the bigger picture of our impacts and will guide us in the implementation of potential improvement measures for a better tomorrow.

*“EY supported Tristar in the development of this report through facilitation of qualitative and quantitative data collection and assistance in the process of defining materiality. EY appreciates Tristar’s leadership commitment towards integrating sustainability into its business strategy and day to day operations. EY wishes Tristar success on their journey for sustainable development in the years to come.”*



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# GCEO statement



**W**elcome to the Tristar sustainability report, for 2013. For this report we have decided to use the theme **“Working together for a better tomorrow”** as it reflects on our commitment to conduct our business in a socially and environmentally responsible manner.

I am particularly proud of our performance in 2013 where we accomplished another year of

operations with zero fatalities and zero spills. I am also proud of our people’s efforts in helping local communities in Africa, Asia and Central America.

Here in the Gulf Cooperating Council (GCC), we celebrated Tristar Safety Day on March 22, 2014 at our head office in Dubai to reiterate our commitment to Goal Zero – no accident, no fatality, no harm to people, and no damage to environment. Our Goal Zero is also aligned with the Dubai Police vision to reduce deaths by road accident to zero by the year 2020. As a major road transport logistic company we are aware of the potential road dangers when transporting flammable products and we remain committed to sharing our experiences and international best practices to improve road safety in the UAE and across the GCC.

We have launched a public safety campaign in collaboration with the Royal Society for the Prevention of Accidents or RoSPA and the Roads and Transport Authority (RTA) on promoting road safety for commercial heavy duty drivers. Incidentally for the third straight year, 2011 to 2013, we received the RoSPA Gold award on Occupational Health and Safety. We were also recognized for our efforts in managing occupational road risk (MORR) when we received the Gold award for 2011, the MORR Trophy for 2012, and Highly Commended MORR Trophy for 2013.

In 2014, we intend to make further progress in managing greenhouse gas emissions by using technology to optimize our fleet operations to record less ton miles while we deliver more volume in our daily transport operations. The progress we have made in implementing an ERP into our operations in 2014 makes me confident that we have set the right priorities for the year and beyond - growing shareholder value and committing to sustainable development.

Of course this will need the support of each one of our stakeholders to balance short term gains and environmental and social issues in day to day decision making. I remain convinced that our long-term business success will greatly depend on our ability to implement socially and environmentally responsible ways to handle and deliver energy to end users.

As most of you are aware we are members of the UN Global Compact (UNGC) and are guided by its 10 principles with respect to human rights, labor, environmental good practice and anti-corruption. Our embracement of the UNGC principles are highlighted in the way we operate our business in South Sudan and other countries in Africa where all employees are provided with safe and healthy work place environments. We have implemented strict controls to ensure zero exploitation of child labor be it by direct employment or through subcontractors. We also have a commitment to create a work place environment that values differences and are working on some key initiatives to raise the number of female employees and to develop and promote local employees in leadership positions. We have further increased efforts to educate and develop younger generations in South Sudan since 2009 when we funded the construction of the Yapa Primary School building which is 85 kilometers from the capital city of Juba. In 2012, we funded four more classrooms which accommodated secondary students. About 400 students continue to benefit every year. Moreover, in early 2013, we donated a block of three classrooms to the Gabat Primary School in Juba. The new three classrooms were able to accommodate additional 120 students making the primary school into a secondary school.

I would like to sign off by reiterating our commitment to being a responsible business and to prevent incidents - such as oil spills, fires or accidents - that are a risk to people, the environment and to our stakeholders. Our strategy will be for us to continue to do the right things in the right way, safely.

**Eugene Mayne**

# CSO message



**W**elcome to the second edition of our sustainability report. After the recent restructuring, I have taken the role of Chief Sustainability Officer (CSO), which is both a privilege and an honor. I have been fortunate to actively participate in Tristar's sustainability journey, as we have expanded our definition of sustainability beyond philanthropy to strengthening safety practices,

protecting the environment and supporting the economic vitality of the communities where we operate.

Last year, in our first sustainability report, we highlighted some of the fundamentals that we believe are necessary to run our business responsibly. In this update, you will learn more about our progress against sustainability goals, and our achievements and challenges along our sustainability journey. We are publishing this report using the Global Reporting Initiative (GRI) framework, providing more details about our strategies, programs, progress and challenges.

In January 2011, Tristar became a member of the UN Global Compact. Through the partnership, we are collaborating with industry members, authorities and NGOs to advance sustainability in sphere of influence. I am happy to report that we have made progress on all of our sustainability objectives during the last year including safety, staff well-being, customer service, business growth, commitment to ethics, waste management and community outreach. Our CSR steering committee, which comprises of senior leadership members, is ensuring that sustainability issues remain part of the overall business strategy.

Our focus on sustainability helps create a company where safety is at the center of everything we do, employees are engaged, the environment is protected, and shareholders are satisfied. As we move forward, safety continues to be a major focus for us. We are proud of completing last year safely and remaining steadfast in our commitment to safety improvements with a goal of zero accidents or injuries.

I am very proud to report that during 2013 we won the Shell Professional Haulier Award for MESA (Middle East and South Asia region); UK-based RoSPA (Royal Society for Prevention of Accidents) Gold Award for Occupational Health and Safety; and highly commended SCATA (Supply Chain and Transport Award)

CSR Award, which validate our shared dedication to continual improvement in safety, protecting the environment, creating innovative solutions, and supporting communities. But we know that we have more work to do.

We are more focused than ever on engaging with our stakeholders about opportunities to enhance social, environmental and human capital while adding to the bottom line and we continue to see more possibilities for collaboration in the coming days. Last year, we also took several steps to expand employee awareness and training around sustainability to grow their knowledge of sustainability issues, sharpen their skills and inspire new, sustainable thinking across our business.

During this time of economic challenge, we have established targets to lead our organization towards a more sustainable future by engaging our employees, customers, suppliers, and industry peers. We will continue our efforts to reduce the growth in fuel use by optimizing our delivery routes and efficient use of our vehicle fleet. However, the number of delivery points we serve, continues to grow even during these tough economic times and we are aware of our responsibility to offset these footprints. With the help of our strategy partner ShiftIn, we have developed a five year strategic plan (2013 – 2017) to further integrate social, economic and environmental considerations in the company's DNA.

As we move ahead, we continue to benefit from the active engagement and guidance of our stakeholders. We are especially grateful for the counsel of the EY team which assisted us in the development of this report through facilitation of qualitative and quantitative data collection and defining materiality. As we broaden our understanding of sustainability across all of our business lines, we are seeing deeper engagement among our employees, always keeping the Tristar Mission in mind. We remain committed to meet the challenges of tomorrow and build a brighter future for our coming generations.

We invite you to provide us with your valuable feedback on this issue and we look forward to your continued engagement in the days to come.

A stylized, handwritten signature in black ink that reads "Muhammad Akber". The signature is fluid and cursive, with a long horizontal line extending from the end.

**Muhammad Akber**



# About Tristar

TRISTAR

## In this chapter

- About Tristar
- Vision, Mission and Values
- Our economic contribution



Tristar is a fully integrated liquid logistics company, headquartered in Dubai, serving major international and local petroleum and chemical companies. We have a diversified portfolio of services ranging from road transport, warehousing of petrochemical goods, management and operation of fuel farms, turnkey fuel operations, into-plane aviation fuel services, and ship owning and chartering for movement of petroleum and chemical products.

Established in 1998, Tristar is a Limited Liability Company (LLC) that operates in more than 13 countries in the Middle East, Africa, Asia-Pacific and Central America. The company was born out of a need for road safety and today plays a vital role in raising the standards of road transport in the Gulf Cooperation Council (GCC) by implementing international best practice and supporting government initiatives to prevent accidents and fatalities due to road accidents.

Agility, our parent company, is publicly listed in the Kuwait and Dubai stock exchange. As a subsidiary, Tristar must comply with the highest standards of transparency and governance established by the parent company in its Code of Ethics and Conduct Policy.

Our group expansion <sup>1</sup>			
Country	Start of operations	Services	No. of employees
<b>Middle East</b>			
UAE	1998	Road transport, warehousing, shipping	564
Oman	2002	Road transport, Shipping	67
Kuwait	2004	Road transport	84
Qatar	2005	Road transport, warehousing	12
<b>Asia</b>			
Pakistan	2009	Road transport	217
<b>Pacific Island</b>			
Guam	2009	Fuel farm	34
<b>Africa</b>			
Sudan	2007	Turnkey fuel supply	59
South Sudan	2007	Turnkey fuel supply	250
Congo	2010	Turnkey fuel supply	278
Kenya	2009	Road transportation, lubricant distribution	123
Uganda	2008	Road transportation, lubricant distribution	21
Mauritius	2012	Shipping	8
<b>Central America</b>			
Haiti	2012	Turnkey fuel supply	148
<b>Total</b>			<b>1,688</b>

<sup>1</sup> Shipping workforce is included in this table

## Tristar at a glance

Headquartered in **Dubai**

**1,688** employees

Operating in **13 Countries**

**Liquid logistic** company

**Major Shareholder** Agility

Our Achievements
Revenue growth
Won Tristar Project Silver - A venture with Shell which allows us to charter six brand new ships for the long term
Started the implementation of the ERP system
Secured long-term warehousing and transportation business in UAE and Oman
Achieved zero fatalities in 2013
Started operations in Saudi Arabia
Finalized long-term strategy (2017 plans)

Our Challenges
Sustaining safe operations
Political instability and insecurity in our countries of operation in Africa
Development of human capital to support future business lines
Cost optimization
Increase the number of our female employees



### Tristar Oman

Tristar Oman was established in the year 2002. Based in Muscat, Tristar Oman is one of the leading bulk liquid road transport companies in the country and is a key transporter for major international and local oil and gas companies. Key business activities include the transportation of bulk and packed petrochemical products, lubricants, crude oil, and jet fuels. Its fleet consists of over 50 vehicles including road tankers, trailers and delivery pickups.



### Tristar Kuwait

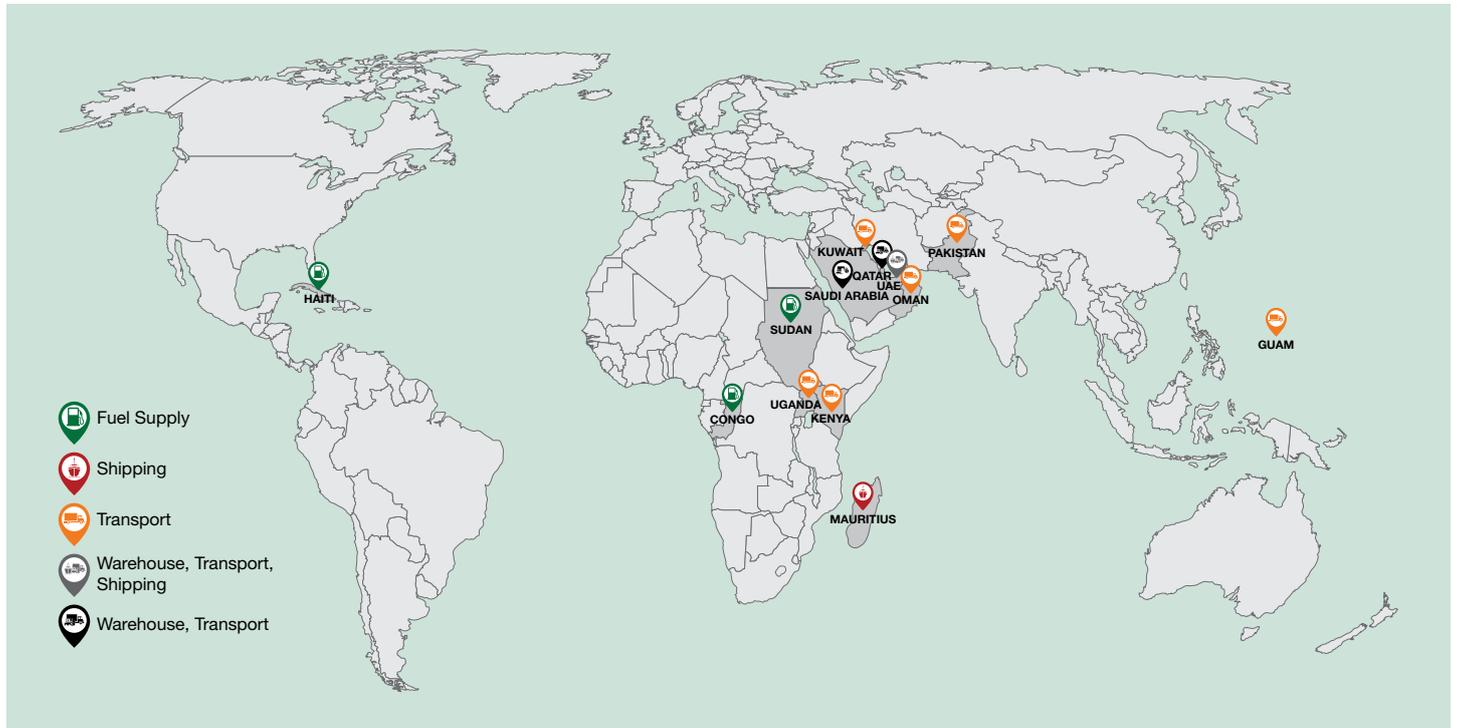
Tristar Kuwait was established in 2004 to support US military bulk fuel deliveries to Iraq. The company operates a fleet of around 100 tankers for the transportation of petroleum products including Diesel and Gasoline. Presently, it has a major contract with Al-Soor Fuel Marketing Company for the distribution of fuels to retail outlets in Kuwait.



### Tristar Qatar

Tristar Qatar started its operations with Helium tanker transportation in 2005, under the umbrella of its parent company Agility. In 2010, Tristar Qatar was established as an independent company in Doha and currently provides warehousing and distribution services to major international oil companies as well as other local players. It has now diversified its operations from warehousing and distribution of lubricant products to handling and distribution of industrial chemicals and the road transportation of helium, ammonia and urea tankers.

## Our geographic footprint



## Overview of our services



### Road Transport

We own and operate a fleet of more than 1,000 road tankers, trailers and delivery pickups in the Middle East, Africa and Asia.

The range of road transport services includes local and overland transport and distribution of bulk and packed petroleum and industrial chemicals, bulk lubricant oil supplies for marine and industrial customers, jet fuel supplies for airports, bunkering for tanker discharges, supply of ISO tanks for local and overseas shipments, and consolidated cargo services.

We serve major blue-chip customers that include international oil companies and local national oil companies, including fuel logistics services for humanitarian and peacekeeping operations.



### Warehousing

Warehousing of raw materials and finished products plays a major role within the customer's supply chain. Tristar offers full Third Party Logistics (3PL) warehousing and distribution services for several major oil and chemical companies in managing their supply chain. We have also introduced the concept of 4PL service provider to some of our customers whereby we are managing their plants, warehouses and different sub-contractors.

All warehouses are designed, built and operated to meet both local and international industry safety and environmental standards, and to run on the latest Radio-Frequency Identification (RFID) technology. The services include, but are not limited to rack and bulk storage, customs clearance, import/export handling, distribution, inventory management, shrink wrapping and palletizing.

## Overview of our services (contd)



### Ship owning and operating

We entered the ship owning and operating business in 2004. Today, we own and operate a fleet of Medium Range (MR) tankers, coastal vessels and river barges operating in the UAE, Oman, Mauritius and Africa.

River vessels are directly managed by Tristar whereas the larger vessels are under V-Ships<sup>2</sup> Management. This support helps to ensure that our goals are achieved by being safe, reliable, efficient and compliant. Our fleet of vessels are all under charter with international and national oil companies.



### Fuel farm management

We own and operate a petroleum fuel storage facility in the Pacific Island of Guam, which is one of the largest fuel storage facilities on US soil. The terminal has a total storage capacity of 4.2 million barrels which is spread over 237 acres of land that includes 24 tanks of varying capacities and is connected to the deepest fuel pier in Guam.

Dock lines are interconnected to the other three oil berths available in Guam and to major customers, such as the Guam Power Authority and the US Military's storage facility. The terminal offers storage for a wide range of petroleum products like jet fuels, gas oil, fuel oil and LPG. It also has truck loading facilities for the loading and unloading of LPG and white oil as well as lubricant warehouse/lay down areas. Key customers are the US Military, Shell and the Guam Power Authority.

Tristar Guam is currently upgrading its system facilities to be abreast with new technological standards aiming to achieve 90% storage capacity utilization.

Within Central and East Africa, we have designed and constructed a number of bulk storage facilities for customers that meet international standards and recommendations despite the remote and often challenging conditions.

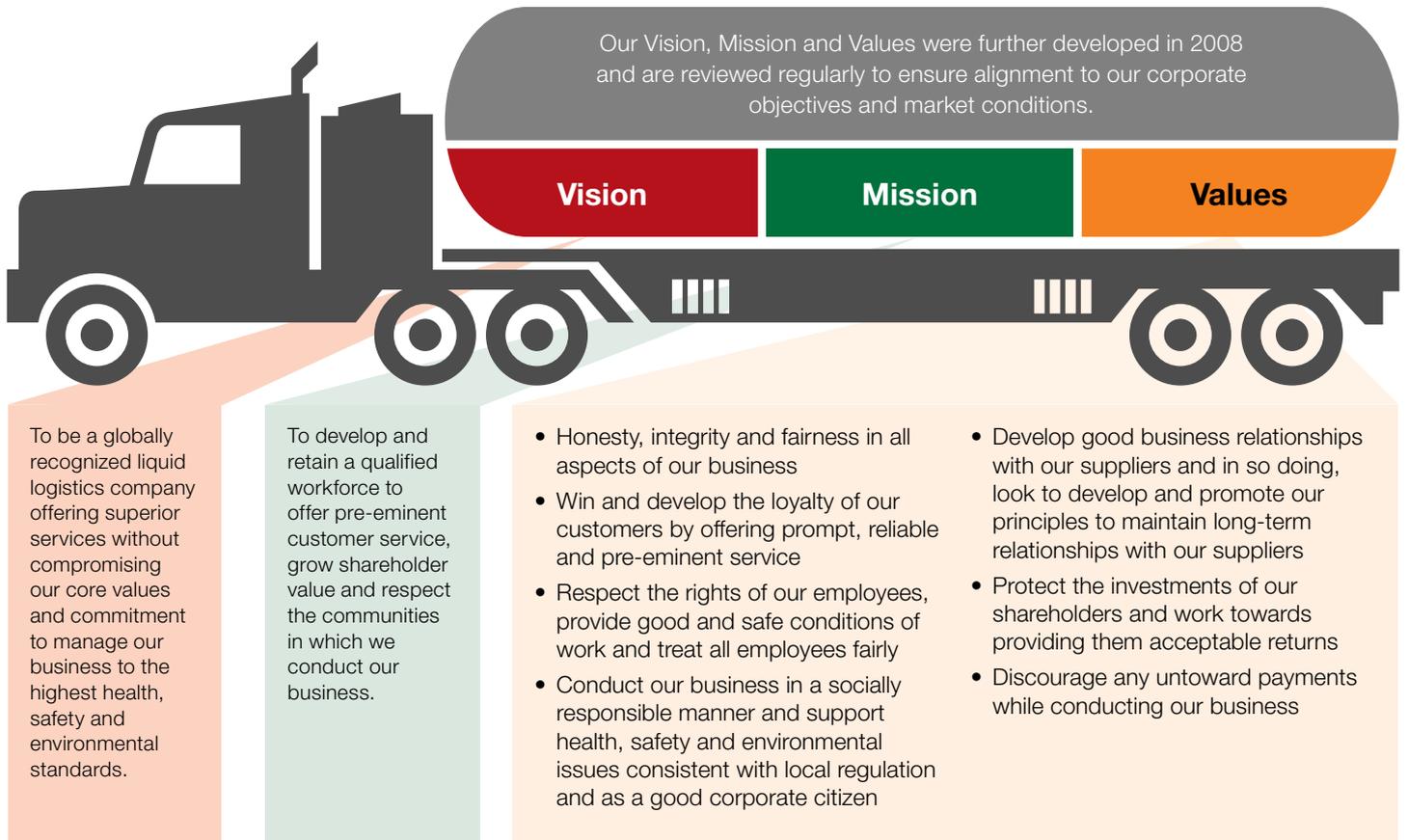


### Turnkey fuel supply operations

We have the proven capability of managing fuel depots, storing and handling of petroleum products, supplying fuels and providing into-plane aviation fuel services in some of the world's most difficult places. As one of the major fuel providers to an international peacekeeping mission, Tristar has a robust supply chain arrangement in place to import, store, distribute, dispense and account for ground and aviation fuels and provide retail services, operating through more than 61 oil storage depots and terminals located across Central and Eastern Africa, with a storage capacity of more than 42 million liters.

<sup>2</sup>V-Ships is a ship management company, part of V-Group Holdings which is registered in Monaco but headquartered in London, England

## Vision, Mission and Values



## Our economic contribution

### Financial highlights for GCC operations

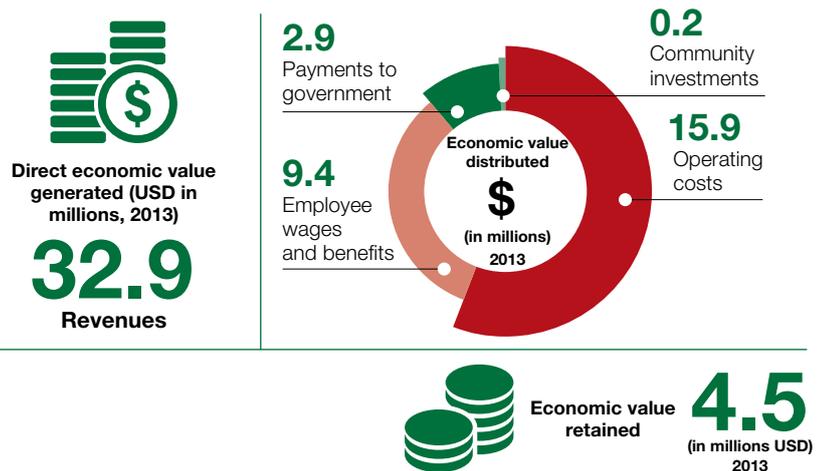
Our positive economic results have contributed to the Gross Domestic Product (GDP) of the countries where we operate through the generation of additional revenue for shareholders, taxation accrued by governments, employment opportunities for the community and the support the company provides to the local economy by engaging local suppliers and contractors.

In Oman, the company has 35% local staff. This is a significant number. One of them is now the HR manager.

### Local suppliers

In line with our ethics policy, we support local suppliers and give preference to sourcing local goods and services in all our contracts. Approval of a potential supplier is based on a documented evaluation of the supplier's ability to fulfill Tristar's operational, safety and sustainability requirements.

In some cases, we face a technology gap in the availability of systems such as safety technology in the local market and are forced to procure our systems from abroad. In 2013, 42% of our procurement spending was on local suppliers.



## Our business ethics

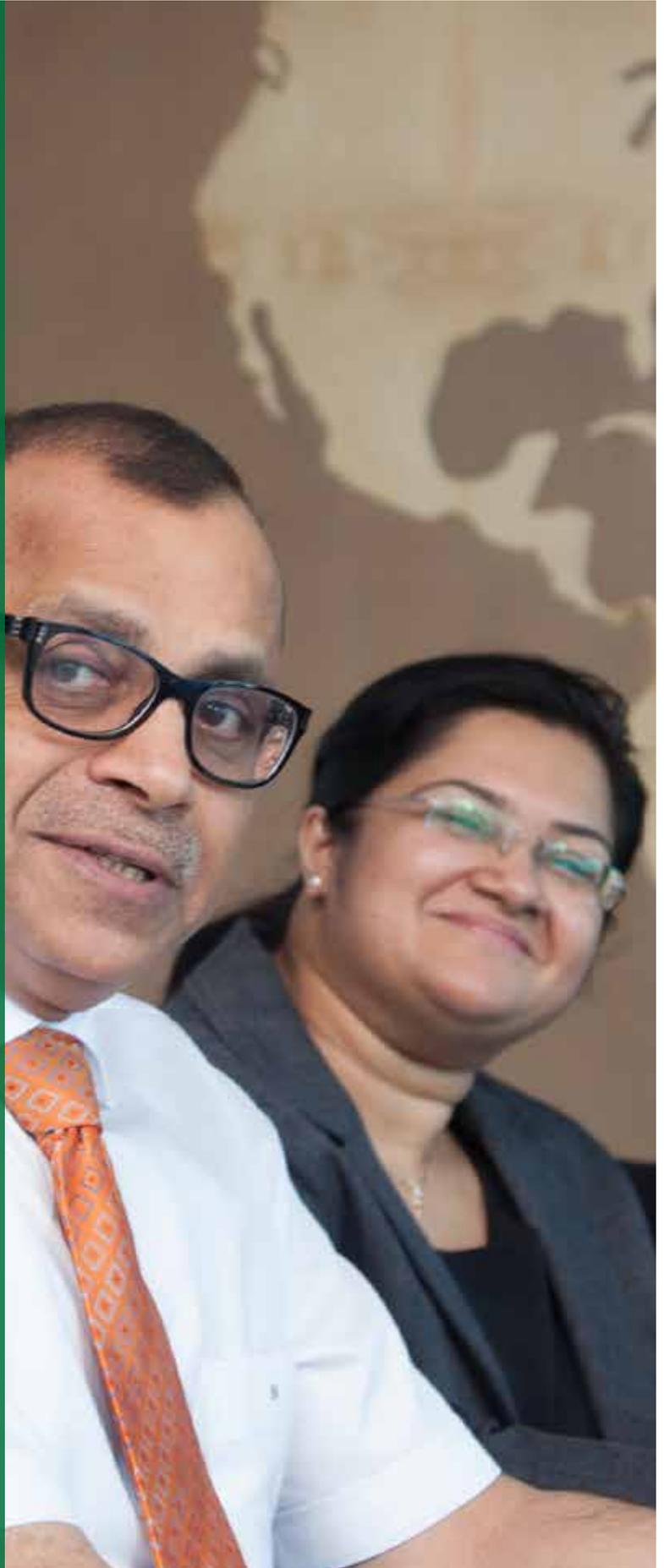
We aim to be recognized as a transparent and ethical business which promotes the highest standards of ethics and legal conduct.

As an affiliate of the UNGC, we are committed to adhering, implementing and promoting the 10 principles of the UNGC, which are embedded into our global modus operandi. These principles cover the areas of human rights, labor practice, environmental protection and anti-corruption.

### Code of conduct

The code of conduct is an integral part of our corporate culture and applies to all our operations. It is used as a measure to reduce the likelihood of unethical practices, sustain our well perceived reputation and provide for fair and objective resolutions to potential unethical actions. The code of conduct also sets out our commitment to the health and well-being of our employees, as well as our understanding of equal opportunity and diversity.

We encourage all our employees to report to their managers/supervisors all acts related to fraud, corruption or any other kind of misconduct that comes to their attention. Through our open door culture, our employees are free to address any misconduct to the management, including the Group CEO.



	UNGC Principles	Our actions	Policies and procedures
 <p><b>Human Rights</b></p>	<p><b>Principle 1:</b> Businesses should support and respect the protection of internationally proclaimed human rights</p> <p><b>Principle 2:</b> Make sure that they are not complicit in human rights abuses</p>	<p>Our business principles require employees and contractors to respect the human rights of other employees and the communities we work in.</p> <p>We have instituted a zero tolerance policy regarding the conduct of our employees and business associates that support or engage in sexual exploitation and/or sexual abuse. It is the responsibility of all Tristar personnel to create and maintain a working environment that fosters a culture of equality among employees at all levels of the company as detailed in our business ethics policy.</p>	<ul style="list-style-type: none"> <li>• Tristar sex exploitation policy</li> <li>• Equal opportunity employment</li> <li>• Ethics policy</li> </ul>
 <p><b>Labor</b></p>	<p><b>Principle 3:</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining</p> <p><b>Principle 4:</b> The elimination of all forms of forced and compulsory labor</p> <p><b>Principle 5:</b> The effective abolition of child labor</p> <p><b>Principle 6:</b> The elimination of discrimination in respect of employment and occupation</p>	<p>We have defined job descriptions for each position. These job descriptions are discussed and agreed by the employee to ensure clarity of duties, roles and responsibilities. We do not employ anyone below 18 years old.</p> <p>In accordance with our grievance procedures, all employees may make an appeal on matters affecting their status and treatment as workers. The procedure provides clear steps to follow in case the employee wishes to communicate any grievances.</p>	<ul style="list-style-type: none"> <li>• Code of conduct</li> <li>• Recruitment policy</li> <li>• Equal opportunity policy</li> <li>• Health and safety policy</li> <li>• Ethics policy</li> <li>• Security policy</li> </ul>
 <p><b>Environment</b></p>	<p><b>Principle 7:</b> Businesses should support a precautionary approach to environmental challenges</p> <p><b>Principle 8:</b> Undertake initiatives to promote greater environmental responsibility</p> <p><b>Principle 9:</b> Encourage the development and diffusion of environmentally friendly technologies</p>	<p>We acknowledge the environmental impact of our business and we are committed to enhance our environmental performance. An example of our commitment is the creation of the Environmental Improvement Teams (EIT) and their integration within the Corporate Social Responsibility Steering Committee (CSRSC) - <i>for further information please refer to the improving environmental performance section.</i></p>	<ul style="list-style-type: none"> <li>• Environmental policy</li> <li>• Health and safety policy</li> <li>• Quality policy</li> </ul>
 <p><b>Anti-corruption</b></p>	<p><b>Principle 10:</b> Businesses should work against corruption in all its forms, including extortion and bribery</p>	<p>Through our policies and our code of conduct we have established a company culture in which bribery is unacceptable. Our contracts with major customers comprise of clauses on business ethics, conflict of interest, record retention and the right to audit. Furthermore, purchases and contracts above certain value are subjected to necessary due diligence by senior management and final approval by the Group Chief Executive Officer (GCEO) to ensure transparency. We recorded no actions of discrimination during the reporting period.</p>	<ul style="list-style-type: none"> <li>• Conflict of interest policy</li> <li>• Anti-corruption policy</li> </ul>



# Integrating sustainability in our business

## In this chapter

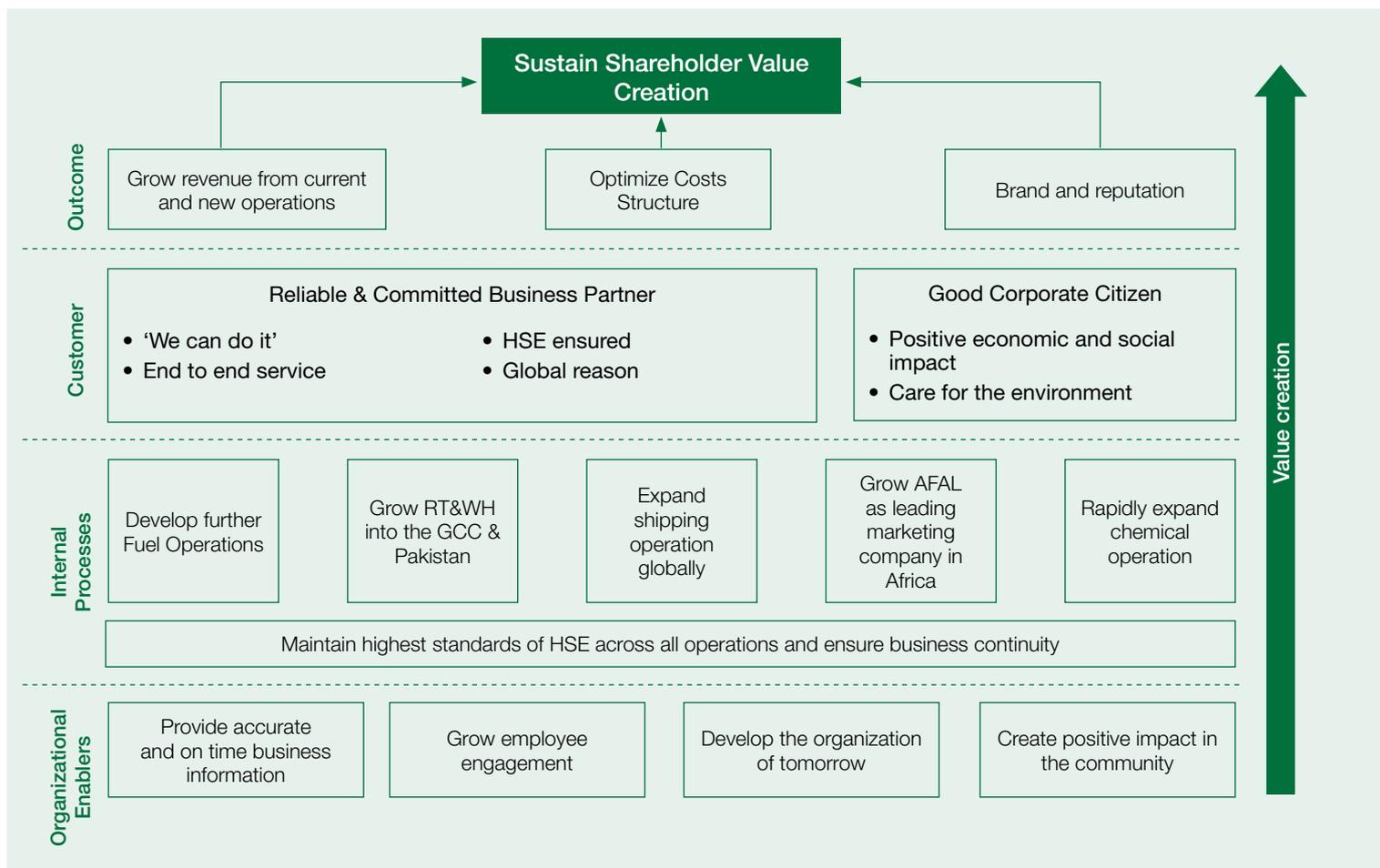
- Our strategic approach
- Our governance
- Our stakeholders
- Our sustainability priorities

## Our strategic approach

Since our inception, we have been growing extensively and it is our ambition to continue to differentiate our services while expanding our geographic footprint.

It is our belief that by looking after our employees, ensuring safety of our operations, reducing our environmental impact, optimizing

cost, growing shareholders value, and by adopting a community-minded approach to business, we will create a strong foundation for sustainable growth. This is demonstrated by the strategy map for 2013-2017 as shown below.



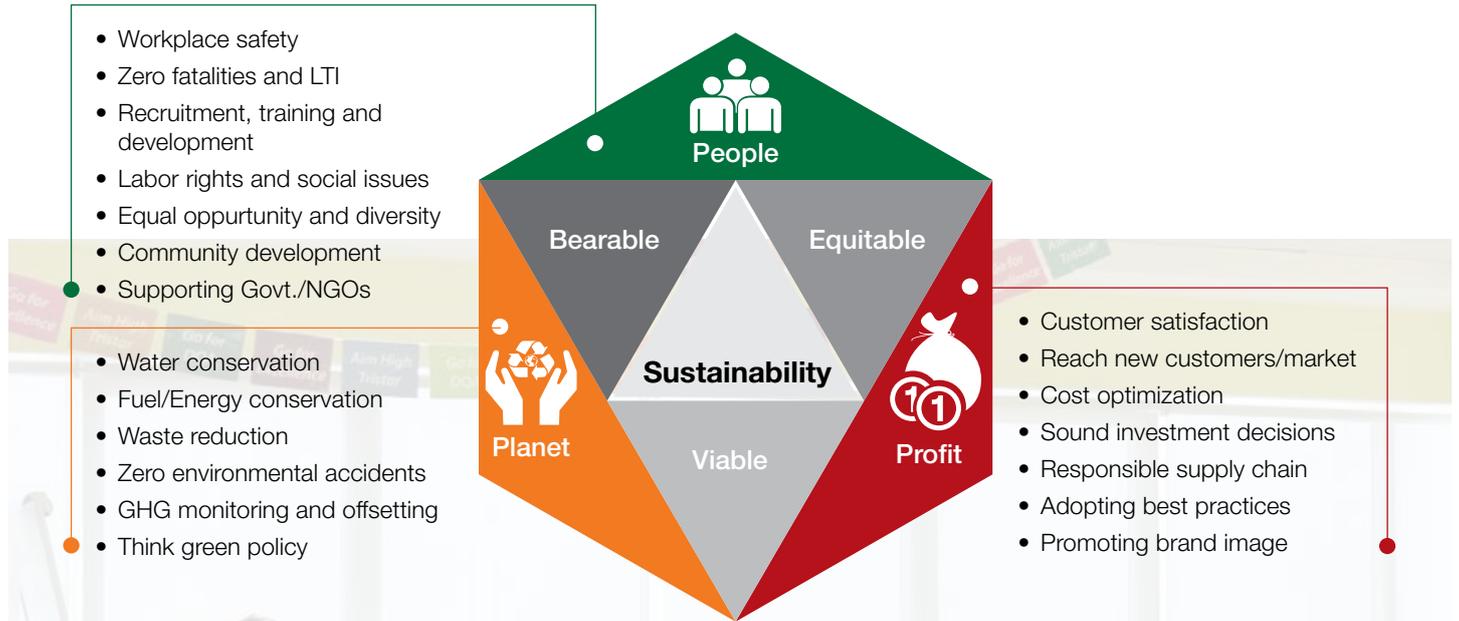
Since the adoption of this map, a balanced scorecard addressing leading and lagging Key Performance Indicators (KPI) is utilized to plan and manage the overall organizational performance. There are monthly operational meetings to review company

performance, budgets and customer service requirements. The output of these meetings is communicated across corporate functions through fortnightly and weekly meetings, with the company leadership enshrining the goals in departmental KPIs.

*Key objectives of the strategy map are to diversify our client portfolio for turnkey projects by targeting similar international organizations where bulk transportation and distribution is central to their operations; increase the market share of core operations (warehousing and transport) within the UAE and expand into new markets (GCC); replace the shipping fleet with younger eco vessels and expand into new business lines such as transportation of chemicals/lubricants and commercial aircraft refueling.*

This will enhance our customer value proposition and enable us to provide end-to-end supply chain solutions and global reach for both our existing and potential clients. In addition, the new business lines will not only open up new markets but will also allow us to compete in other specialist logistics sectors, such as chemicals, lubricants and shipping and thus secure new contracts from other international and national organizations.

Integrated sustainability thinking is a key driver towards the achievement of our strategic objectives. We are currently in the process of integrating sustainability roadmap into our 5-year strategic plan to further integrate social, economic and environmental considerations in the company's DNA. As part of this process in 2013 we started to develop a sustainability framework based on the three main pillars: People, Planet and Profit.



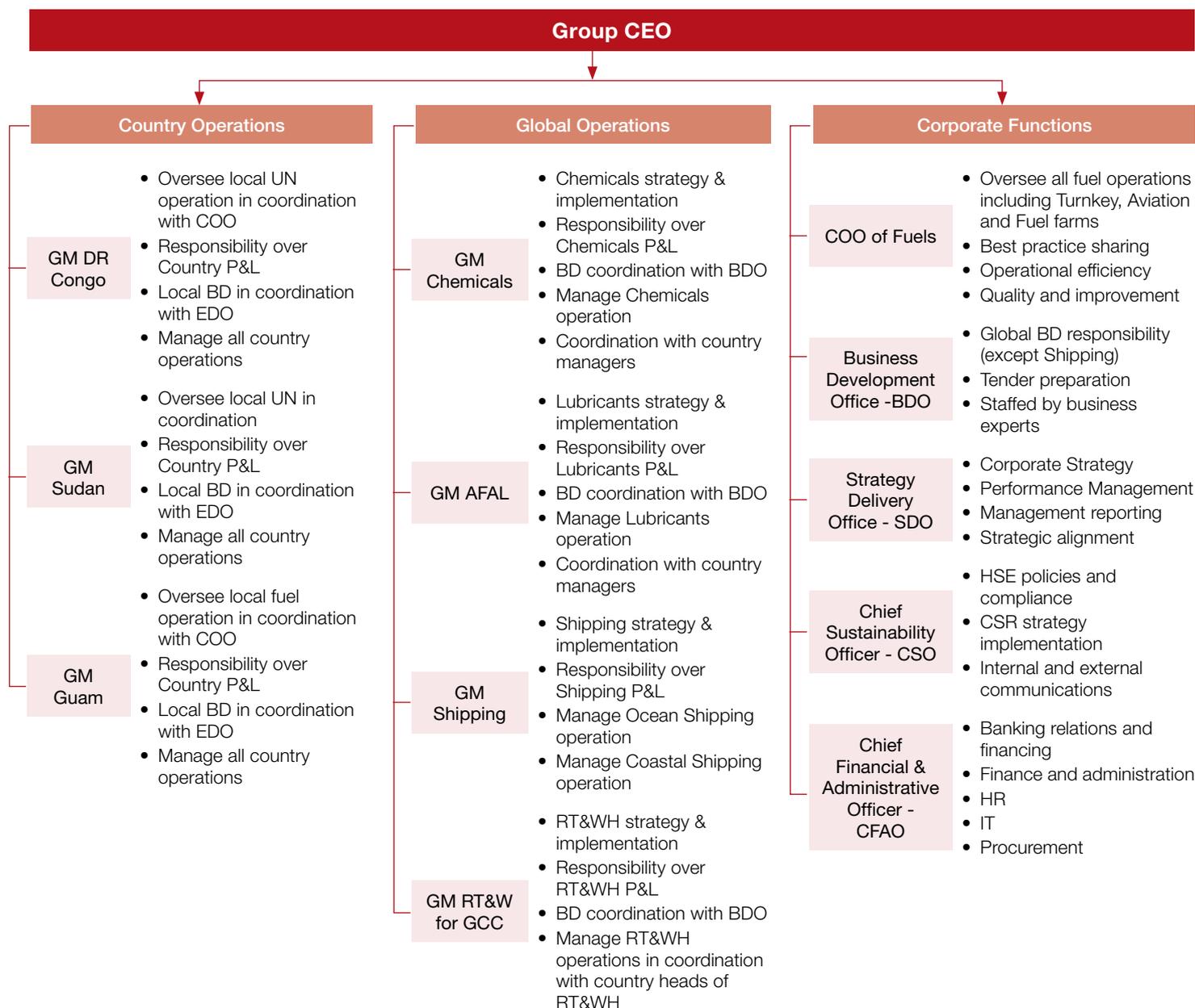
# Our governance

Our ambition and desire to be recognized as a sustainable company is directly driven by our Group Chief Executive Officer (GCEO).

The GCEO sits on the Board and is responsible for the general management, supervision and control of the business and affairs of the company. The Board is composed of five members who hold periodic meetings, discuss and approve strategic

plans and budgets, and conduct annual audit. Except for the Tristar GCEO, all board members are senior executives of Agility and they are all male.

In 2013, a Strategy Delivery Office (SDO) has been established with a mandate to monitor the implementation of the corporate strategy, review management reporting and recommend strategic re-alignment when necessary.



Tristar organizational structure

Furthermore, during 2012 and 2013, we established four committees: the Strategy Committee, the Profitability Committee, the Suggestion Panel Committee and the Corporate Social

Responsibility Steering Committee (CSRSC) to support the achievements of Tristar corporate objectives and the monitoring of Tristar's progress against targets.

Committee	Members	Objectives	Frequency of meetings
<b>Strategy Committee</b>	<ul style="list-style-type: none"> <li>• Strategy Delivery Office</li> <li>• GCEO</li> <li>• Internal Audit Manager</li> <li>• Group Human Resources Manager</li> <li>• Group Finance Manager</li> <li>• Chief Operating Officer Fuels</li> <li>• General Manager Road Transport and Warehousing</li> </ul>	<ul style="list-style-type: none"> <li>• To discuss pressing matters affecting the process of strategy execution</li> <li>• To monitor initiatives and performance of each business line</li> </ul>	Once a month
<b>Profitability Committee</b>	<ul style="list-style-type: none"> <li>• Strategy Delivery Office</li> <li>• Business Line heads</li> <li>• Group Finance Manager</li> <li>• Internal Audit Manager</li> </ul>	<ul style="list-style-type: none"> <li>• To review progress against targets for each business line</li> <li>• To identify areas of improvements</li> </ul>	Once a month
<b>Suggestion Panel Committee</b>	<ul style="list-style-type: none"> <li>• Corporate Communication Manager</li> <li>• Group Human Resource Manager</li> <li>• Group Manager HSE</li> <li>• Group Finance Manager</li> <li>• Chief Sustainability Officer</li> </ul>	<ul style="list-style-type: none"> <li>• To review suggestions made by employees for implementation and monitoring their effectiveness</li> </ul>	Twice a month

## Our CSRSC

The CSRSC consists of nine members from different departments and meets once a month with the objective of identifying sustainability priorities across Tristar Group, setting sustainability

targets for each Tristar entity as per local needs and defining action plans.



### The CSRSC's main goals are as follows:

- Raising employee awareness on sustainability
- Encouraging employee participation and initiatives
- Encouraging executive line management and employee commitment to sustainability
- Collaborating with local communities and NGOs
- Monitoring best practices and sustainability indicators (economic, social and environmental)
- Reinforcing communication on sustainability initiatives to internal and external stakeholders
- Minimizing any negative impact on the environment that might be associated with our operations
- Becoming a good neighbor engaging in sustainable projects that will benefit our local communities, and
- Monitoring our carbon footprints, energy consumption, waste generation, and investing to make our operations more eco-friendly

Our CSRSC Members:



**Eugene Mayne**  
Group CEO Sponsor



**Muhammad Akber**  
GM HSEQ & Sustainability,  
Chairman of the Committee



**Arthur Los Banos**  
Corporate Communication  
Manager,  
Vice Chairman of the  
Committee



**Sapna Bhaskar**  
Group HR Manager,  
Champion human rights  
and labor standards  
implementation across the  
Group



**Faisal Majeed Bhatti**  
Group HSE Manager,  
Committee member



**Prasad Kandan Kutty**  
Group IT Manager



**Jayesh Rajasekhara Menon**  
Asst. IT Manager



**Abilash Kuttalil Chandran**  
Asst. Finance Manager



**Anoop Ouseph Palatty**  
HSE Officer

Each committee member has clearly defined responsibilities as highlighted in the below table:

CSRSC Roles and Responsibilities	
Member	Responsibilities
Group CEO	Approves sustainability policies, creates initiatives, sets targets, monitors performance and provides resources.
GM HSEQ & Sustainability	Chairs CSRSC meetings, evaluates progress against plans, provides direction and has decision making authority. Ensures organizational alignment in the areas of human rights and labor standards while managing our social and environmental goals. Accountable for the CSR deliverables.
Corporate Communication Manager	Ensures that CSR program is communicated effectively to customers, suppliers, government departments, NGOs, media and other external stakeholders. Necessary liaison with NGOs and government departments for joint CSR initiatives. Organize CSR events as may be required. Acts as a coordinating hub for all CSR activities, guiding and engaging Group companies on CSR. Leads a team of CSR Champions who drive CSR at local level within Tristar entities. Chairs CSR committee in the absence of the Chairman.
Group HR Manager	Ensures that CSR program is communicated effectively to employees. Arranges necessary training and counseling to employees to develop a CSR culture as part of their daily operations.
Group HSE Manager Committee member	Provides technical advice on safety and environmental efforts to benchmark against world standards. Ensures compliance with applicable regulatory requirements, workplace safety, environmental goals, energy conservation, waste management, water use reduction, and other innovations.
Team Leaders of four Environmental Improvement Team Committee members	Reports progress of their respective teams' initiatives.

## Our stakeholders

Continued dialogue with various stakeholder groups is our strategic priority and we believe that a transparent and collaborative engagement process is an important factor for our success.

As part of our reporting process, we held a materiality workshop with representatives from each department to identify our key

stakeholder groups, channels of communication and sustainability interests. Each member completed a questionnaire and the results were analyzed by our sustainability consultants.

Name of stakeholder	Channels of engagement	Impact areas
 <p><b>Employee</b></p>	<ul style="list-style-type: none"> <li>• Employee satisfaction survey</li> <li>• Annual parties</li> <li>• Quarterly safety meetings</li> <li>• Tristar planet, newsletters and website</li> <li>• Training and development programs</li> <li>• Company intranet</li> </ul>	<ul style="list-style-type: none"> <li>• Employee's benefits</li> <li>• Personal development plans</li> <li>• Local hiring</li> <li>• Employee commitment and satisfaction</li> </ul>
 <p><b>Customers</b></p>	<ul style="list-style-type: none"> <li>• Contract review meetings</li> <li>• Audits</li> <li>• Dashboard/KPI meetings</li> <li>• Customer surveys</li> <li>• Customer visits and emails</li> <li>• Board meetings</li> <li>• Website</li> <li>• Customer portal</li> </ul>	<ul style="list-style-type: none"> <li>• Business continuity</li> <li>• New opportunities</li> </ul>
 <p><b>Suppliers</b></p>	<ul style="list-style-type: none"> <li>• Procurement process, policies</li> <li>• Pre-qualification audits</li> <li>• Supplier visits and emails</li> <li>• Website</li> </ul>	<ul style="list-style-type: none"> <li>• Energy efficient equipment</li> <li>• Health and safety certification</li> </ul>
 <p><b>Communities/ general public</b></p>	<ul style="list-style-type: none"> <li>• Campaigns, such as road safety awareness and blood donation campaigns</li> <li>• Community projects</li> <li>• Website</li> <li>• Social media</li> </ul>	<ul style="list-style-type: none"> <li>• Impact on environment and remediation</li> <li>• Reduce security risks in countries of political instability</li> </ul>
 <p><b>Legal authorities</b></p>	<ul style="list-style-type: none"> <li>• Events</li> <li>• Audits</li> <li>• Road safety campaign</li> <li>• Industry forum</li> </ul>	<ul style="list-style-type: none"> <li>• Indirect and direct economic contribution to the country/society</li> <li>• Collaborating toward enhancing safety awareness</li> </ul>
 <p><b>Media</b></p>	<ul style="list-style-type: none"> <li>• Interviews</li> <li>• Broadcast</li> <li>• Website</li> <li>• Social media</li> </ul>	<ul style="list-style-type: none"> <li>• Tristar initiatives in the area of sustainability as key input for regional and local news items</li> </ul>
 <p><b>Non-Governmental Organizations (NGOs)</b></p>	<ul style="list-style-type: none"> <li>• Attendance to events and conferences</li> </ul>	<ul style="list-style-type: none"> <li>• Impact on environment</li> <li>• Support education and community development</li> </ul>
 <p><b>Shareholders</b></p>	<ul style="list-style-type: none"> <li>• Annual board meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Financial sustainability</li> <li>• Economic and social stability</li> </ul>
 <p><b>Competitors</b></p>	<ul style="list-style-type: none"> <li>• Conferences</li> <li>• Industry events</li> </ul>	<ul style="list-style-type: none"> <li>• Market competition</li> <li>• Cost optimization</li> </ul>

*Our stakeholders, channels of engagement and impact areas*

# Our sustainability priorities

The materiality process is a key tool for the development of our sustainability objectives and it is an integral part of our sustainability approach. Materiality also ensures that our reporting process covers stakeholders' needs and expectations.

At the beginning of our reporting cycle, employees from various departments participated in a materiality assessment workshop where we identified, discussed and prioritized key material issue areas. As part of the workshop, the participants completed

questionnaires and ranked relevant sustainability aspects based on their impact on the business and importance to internal and external stakeholders to determine the issues to be covered in this report.

Our ambition is to further enhance our materiality process by inviting key external stakeholders to our annual materiality workshop.

		Material issues				
		Driving health and safety	Creating value for our customer	Enhancing employees welfare	Improve our environmental performance	Engaging with local communities
Themes	Road safety	Engaging with local authorities to enhance road safety		Safety training		Provide road safety training in schools
	Compliance	Meet national and international health and safety standards				
	Employee engagement	Create a safety culture (awareness and training)		Career development		Encourage employee voluntarism
	Economic sustainability		Continuous improvement of customer service and operational excellence			Enhance reputation and reduce security risks
	Environmental management	Reduce roll-over risks (oil spills) by investing in operational efficiency			Implementing fuel efficiency initiatives and managing natural resources	
	Business ethics			Comply with labor and human rights standards		Promote transparency and business ethics

Our material themes and issues



# Creating value for our customers



## In this chapter

-  Our approach
-  Our main achievements

*Our objective is to continue to surpass the service levels currently delivered by our competitors to clients in the oil, gas and petrochemical sector while ensuring we remain committed to a sustainable growth model.*

## Our approach

We always strive to go beyond our customers' needs by delivering excellent services, creating transparent and open client relationships and providing operational excellence through outstanding HSE performance and quality.

We perceive the restriction of movement of goods and people among the various Middle Eastern countries as a major concern for logistics business. In fact, the existing customs and border clearance procedures do not support free trade and impact our turnaround time and utilization.

Despite these challenges, our customer retention rate over the past 15 years has remained at the remarkable rate of 100% and we are recognized as the partner of choice by major multinational and national oil and chemical companies. Our ongoing aim is to continue to surpass the service levels currently delivered by our competitors to clients in the oil, gas and petrochemical sector while ensuring we remain committed to a sustainable growth model.

With the objective to benchmark ourselves with the industry and develop a holistic framework for operational excellence, we participated in the Dubai Quality Award (DQA) in 2013. The DQA is sponsored by the Dubai Department of Economic Development and provides Tristar with a 'roadmap' to achieve excellence through the adoption of best practices.

In line with our focus on investing in client relations, we have developed an annual customer survey called "Time Out with Our Customer" in 2013. The customer survey is administered through an independent management consultancy. We benchmark our customers' results with other best practice organizations to drive continual improvement. The focus of the benchmark is on our four loyalty pillars: brand image and reputation; product quality; price competitiveness; and service satisfaction.

The survey results were overall positive, with service satisfaction being an area of strength and price competitiveness suggesting slight improvement.

### Operational excellence

We are certified by Det Norske Veritas (DNV) with ISO 9001, ISO 14001 and OHSAS 18001. We are also one of the first transport companies in the region to be assessed by the Safety and Quality Assessment System (SQAS) of the European Chemical Industry Council (CEFIC).

Our infrastructure, vehicles and ships undergo periodic inspection and quality checks in order to ensure that products are being stored and transported safely. We have a comprehensive vehicle management system in place, which allows us to ensure that the maintenance of our vehicles is performed as per manufacturers' recommendations and they are fully compliant with applicable statutory requirements. Our vehicles are also equipped with satellite-based vehicle tracking system which helps us to monitor and continuously improve our driving performance.

A Warehousing Management System (WMS) based on the latest Radio Frequency Identification (RFI) technology helps us to manage our warehousing operations with maximum accuracy. The Oracle-based ERP stock management is one of the leading supply chain back office support tools and is proficient at standardizing our systems and operations.

Our coastal and seagoing vessels comply with the "Ship Inspection Report Programme" (SIRE); a new initiative introduced by the Oil Companies International Marine Forum (OCIMF). Furthermore, all Tristar coastal and seagoing vessels are checked every

## Tristar wins RoSPA Safety awards in 2013 and clients share their compliments



*"Congratulations again for receiving these awards. It gives us great joy to hear such news from our partners and we are very proud of you. Your commitment to safety is apparent from the consistency in excellent performance."*



**Salim Al-Huthaili**

Commercial Operations Manager  
MEPAK & SADAF  
Shell Chemicals



*"I would go a step ahead to say that it was an expected result given the focus on "safety" from all levels of the Tristar leadership.*

*This complements the decision of selecting and retaining Tristar as our partner of choice."*



**Bhanu Singh Nayal**

Logistics Manager  
BP Middle East

six months using the OCIFM SIRE Inspection system. During 2013, all our ships passed the inspections and only minor recommendations were given, which have been addressed successfully.

In 2013, we have posted a Technical Superintendent in the UAE (Fujairah) to oversee the coastal fleet on technical management and the continuous improvement of operational standards. The Ship Quality Manager visits the vessels approximately two times a year and also provides training for the crews if any development areas are noticed. Furthermore, both managers and owners have a vessel inspection plan to ensure continuous improvement and high operational standards.

## Our main achievements



Project Silver represents a great achievement for 2013. This is a venture with a multinational oil major which allows us to charter six brand new ships on a long-term basis. The six MR tankers, each with a capacity of 50,000 tons, have fuel efficient and eco-friendly designs and are scheduled to

be delivered from the Korean shipyard in 2016. Tristar invested USD200 million for the new vessels.

Another important milestone in 2013 was our entry into Saudi Arabia. We have entered into a Joint Venture agreement with a major UAE oil and gas company for the establishment of a liquid logistics operation in KSA and we are confident that this will soon grow to be our largest fleet operation in the country. We aim to own and operate a fleet of 1,000 trucks in the Kingdom in the next three to five years.

### Some of our other achievements in 2013 are:

- We commissioned the barge Gulf Star 1 in Oman in September on a time charter with Shell Oman. The Tristar Pride has been relocated to Sohar to service our marine supply services agreement with Sohar Port authority.
- We commenced construction of an aviation fuel depot in Malakal, South Sudan and have also won an into-plane aviation contract with a major airline.
- We secured a turnkey fuel contract in Uganda which started operations in April 2014.
- We were also successful in securing warehousing and distribution contracts with oil majors in Oman and Dubai for a further five years period.
- We won the following awards and recognitions in 2013: RoSPA Trophy for Managing of Road Risks, RoSPA Gold Award for Occupational Health & Safety, Shell 'Professional Haulier' Status in Middle East and South Asia; and Supply Chain and Transport Award (SCATA) for CSR.

The successful renewal of our turnkey fuel supply contract in South Sudan for another five-year term is a testament of our customers' trust and confidence in our capabilities and pre-eminent services.

In 2014, we aim to further improve customer services by adopting the Handheld Delivery Assistant tool and developing a customer portal which will provide one window solution and real-time access to our customers about their stocks and delivery performance.

### Case study: Tristar Haiti acts beyond the call of duty

The Tristar Haiti team went into action beyond the call of duty when it rendered defueling services to a crashed Brazilian aircraft at the international airport in the capital Port-Au-Prince on May 26, 2013.

According to Haitian authorities, one of the engines of the military plane Força Aérea Brasileira caught on fire while taking off at 3 pm local time. Fortunately, there was no fatality.

The Tristar operation lasted 10 hours in which the team defueled 23,050 liters from the 'starboard side' and 12,927 liters from the 'port side.'

The Brazilian Force commander and other officials expressed their gratitude to the team for the timely teamwork. "Although it was not a part of contractual obligation, it is part of customer satisfaction", explained Assistant General Manager, Prem Kumar.





### Case study: Tristar is Shell's 'Professional Haulier'

Tristar UAE has been assessed and certified by Shell Markets Middle East (SMME) as its first 'Professional Haulier' in the Middle East and South Asia cluster for scoring above the threshold requirements of a recent Global Haulier Assessment (GHA) audit conducted by a team of Shell auditors.

The GHA is a comprehensive audit tool used globally by Shell to assess the operations of its road transport hauliers and covers the following seven pillars: Driver Management, Journey Management, Vehicle Management, HSSE Management, Organizational Behavior, Customer Service and Financial Efficiency.

As part of the process, all seven pillars were thoroughly reviewed over three days by a highly proficient team of SMME auditors and no gaps were found in any of the mandatory requirements.

Shell has awarded Tristar as Best Haulier in 2011, 2008 and 2001. The company has been contracting with Tristar since 1998.





Driving health  
and safety



In this chapter

-  Our approach
-  Our main achievements

*Safety in our operations is top priority and a fundamental pillar of our strategic plans.*

## Our approach

Due to the nature of our business we acknowledge that certain employee groups, such as truck drivers, are particularly vulnerable to the risk of accident and/or exposure to hazardous materials.

Road accidents represent a global challenge and are particularly severe in the MENA region. The World Health Organization (WHO) forecasts that by 2020 road crashes will be the third most common cause of premature death in the world. GCC accidents rose from 853,700 in 2011 to 945,400 in 2012 with Saudi Arabia topping the list with 589,258 accidents, followed by Qatar, Kuwait, Oman, UAE and Bahrain<sup>3</sup>.

Despite those challenges and our operational growth, during 2013 we achieved the excellent record of zero fatalities and zero major accidents, by efficiently managing safety performance, creating a solid safety culture and investing in operational excellence.

### Safety management and reporting

We manage our safety performance through world-class health and safety management systems, and through our HSE online portal which records and analyzes near-miss, violations and incidents. This portal allows us to perform trend analysis and identify areas of improvements, while keeping records of any safety violations.

We have established a Safety Committee to discuss, promote and consider policy matters in occupational health and safety within Tristar. The Safety Committee is chaired by the GCEO in the UAE and Country Heads in other areas of operations. The safety committee is composed of members from each department and has grassroots representation from drivers, workshop employees, and warehouse personnel who are elected once a year.

In line with our procedure, we encourage any person witnessing safety risks and potential accidents to complete a near-miss report. These reports are used to share lessons learned from events that could have had serious results under slightly different conditions. The HSEQ Manager is responsible for reviewing all the near misses and the high potential near-miss reports are shared in the Drivers' Forum held every quarter.

We incentivize drivers to submit near-miss reports by their earning of points in the Driver League System - a point scoring system which provides each driver with a personal performance report, including factors such as safety trainings, vehicle worthiness, no accidents, near miss reports, customer/public appreciations, etc. Every month we reward the top 10 drivers based on their overall score in the Driver League System. We also have the policy of Accident Free Bonus, which is given to all those drivers who complete the whole year without any accident.

When, despite all precautions, an incident of non-conformance occurs, we follow the process of detailed investigation to identify root causes and help to eradicate and prevent repetition of similar incidents in the future.

As part of our health and safety management procedures, we enforce a strict zero-tolerance policy on alcohol and drugs consumption accompanied by close monitoring of the drivers' safety behavior.

### Safety culture

We believe that safety is not just a process, but it is a culture and way of life which is equally applicable both on and off the job.

Studies show that the majority of accidents occur as results of human behavior. Therefore, in all our countries of operation we have developed a safety culture that is embedded in the way we do business and is transmitted through awareness campaigns and implementation of best practices.

Keeping this fact in mind, we decided to launch a behavior-based safety campaign by using a powerful message of "My Reason for Safety... My Family". The aim was to persuade employees to internalize safety not just as policy enforcement but for the sake of their loved ones.



***"My name is John Varghese and I am 58. I have 32 years of driving experience in Dubai and the Middle East. I joined Tristar as a driver in 2001 and have been promoted as a driver mentor. Since my promotion, I have screened approximately 300 drivers by assessing their driving skills through various stringent technical tests adopted by the company. I have also conducted around 180 in-house training sessions for drivers in the past year covering almost 95% of the existing driving pool. I also perform in-cab coaching and mentoring of drivers. I am committed to creating safety awareness among our drivers and enhancing their driving skills."***



**John Varghese**  
Driver mentor

<sup>3</sup>www.WHO.org

Further employee awareness initiatives include the distribution of the HSE handbook to our employees. The handbook presents Tristar's safety policies and procedures as well as industry best practices to perform their job safely.

To continue promoting a safety culture, our drivers and management are always refreshed with policies and procedures related to HSE at our quarterly safety meetings, where safety knowledge is shared and safety performance is reviewed against our targets.

In line with our safety policy, all our drivers carry HSE Passport for ready reference. The passport contains drivers' personal details, emergency contact numbers, and precautions to take in case of untoward situations. It also contains records of trainings attended as well as any safety violations the passport holder was involved into.

Each of our drivers has the authority and responsibility to immediately stop any work or actions that are unsafe to our personnel, equipment or the environment. We have issued "stop work cards" to all our employees as an empowerment tool to stop or refuse any unsafe work during the course of our operations. A log is also maintained at each of our locations in order to keep track of any invocation to cease work for these reasons.

### Safety risk management

As part of our contingency planning, the HSE department is responsible for performing an annual risk assessment of all our activities to identify hazards and associated risks with each job. Based on this assessment we have put specific measures in place to bring down the identified risks to reasonable levels or to stop activities in case risks have not been minimized.

### Fleet and infrastructure efficiency

We have invested in modern safety equipment for our vehicles, including the Rollover Warning Device (RWD) and Electronic Brake System (EBS) which are designed to prevent road tanker rollover accidents and other incidents. The benefits of the rollover warning system implementation is substantial as transport operators can eventually create smoother driving behavior among their drivers, which will result in lower fuel consumption and less maintenance costs. Since 2013, all our vehicles have a Dubai Civil Defense approved Global Positioning System (GPS) based vehicle monitoring system.

Our infrastructure and vehicles undergo constant inspection, maintenance and quality checks in order to store and transport products safely. In 2013, we brought automation in our vehicle diagnosis system in order to detect maintenance and engine problems along with a full employee training program in its application. Our reputation extends throughout our value chain, surpassing the core services of road transport and warehousing. This is exemplified by our shipping division which has never suffered the detainment of a vessel by port inspectors.

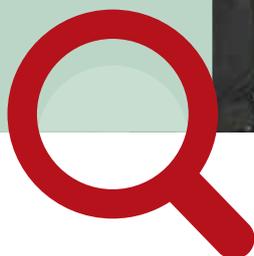
Our planned preventative maintenance (PPM) program is an automated system that ensures technical assets (transportation fleet) are maintained at their optimum condition as per Original Equipment Manufacturer (OEM) recommendations, ensuring prolonged operational readiness of the fleet and increased reliability. We are also in the process of implementing the Virtual Risk Management (VRM) system that aims to improve drivers' attitude and behavior by creating individual profiling, customized training and coaching.



#### Case Study: Stop Work Card

On December 5, 2013, driver Faizal Pozhath invoked his stop work authority by showing the Stop Work Card to a customer who wanted him to bring his truck into the barge using an unsafe ramp. The customer finally agreed to offload the lubricant oil drums at the dock. Hence, not a single life was harmed nor property damaged.

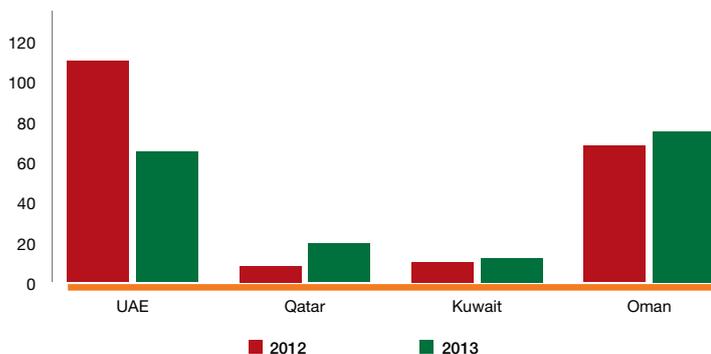
Faizal Pozhath was subsequently recognized for his quick thinking and safe practice by Tristar's management. He received a certificate of appreciation which was handed over by Shell's General Manager for Downstream Road Safety.



## Our main achievements

We are proud to have an outstanding safety performance which is exemplified through our record of zero fatalities, occupational diseases rate (ODR) and Lost Day Rate (LDR) in 2013.

In order to sustain this performance, we carefully record and analyze the risk of potential incidents (near miss).



Near Miss in UAE, Qatar, Kuwait and Oman 2012-2013

Our health and safety standards apply to all our service lines including shipping operations. One of the most significant safety initiatives introduced by the Oil Companies International Marine Forum (OCIMF) is the “Ship Inspection Report Programme” (SIRE).

All our coastal and seagoing vessels are regularly checked every six months using the system of OCIMF SIRE Inspections. During 2013, all our ships passed the inspections with only some minor recommendations, which we have addressed successfully.

### Shipping safety records

Contact	7
Fire & Explosion	0
Spill contained on board	1
Spill overboard	0
Fatalities	0
FAC <sup>4</sup>	1
Near Miss	171
LTI	0
Number of inspections	6

<sup>4</sup> First Aid Case





# Enhancing employee welfare

SHIP SUMMIT → "JOURNEY TO THE"



## In this chapter

- Our approach
- Our workforce overview
- Our employee well-being

We believe that each employee contributes directly to the growth and success of the company. We strive to engage and motivate our workforce by creating a corporate culture founded on openness, trust and mutual respect in line with our core values.

## Our approach

We strive to engage and motivate our workforce by creating a corporate culture founded on openness, trust and mutual respect, in line with our core values.

Our human capital policy is aligned with the overall corporate policy and strategy using specific KPIs as part of a balanced scorecard. Our strategy consultants facilitate monthly review sessions between HR, employee and their supervisors to discuss the effectiveness of our employee development plan and identify any skill gaps and action plans.

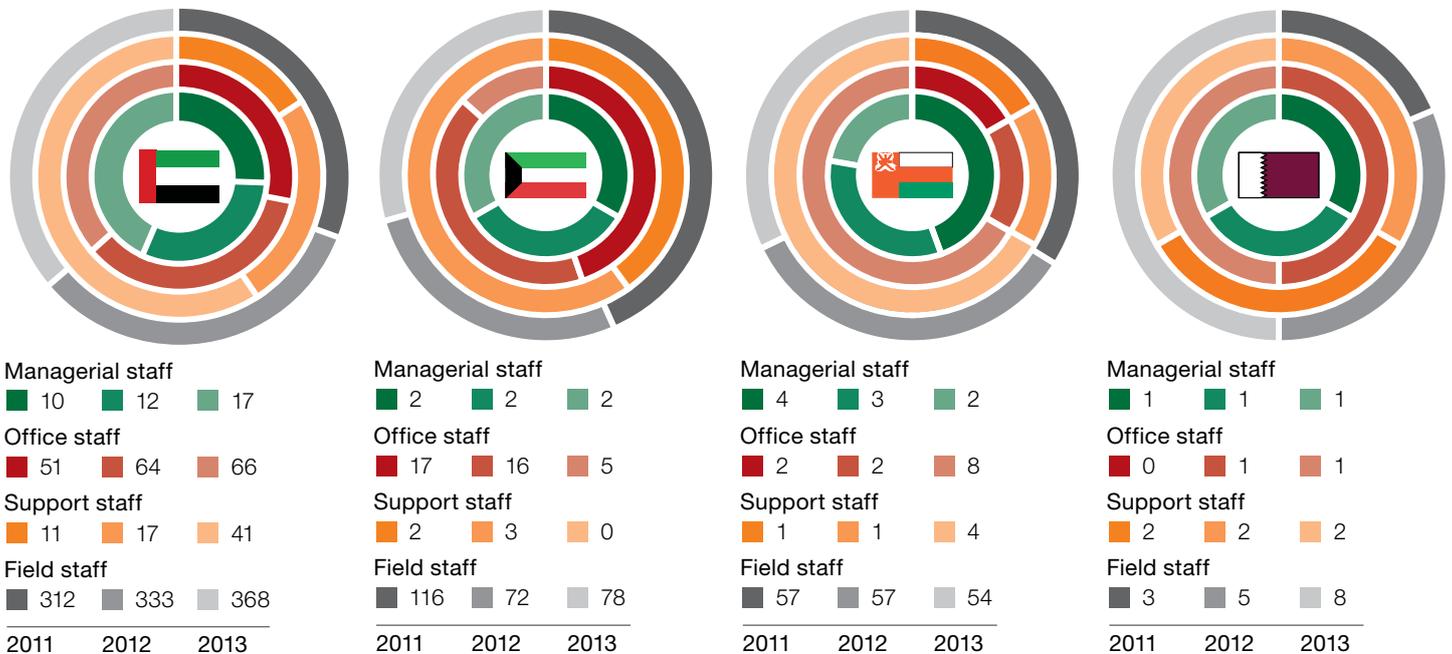
In line with our human capital policy, we continuously attempt to identify opportunities for improvement for our HR management system through the input collected from our employees through surveys and face-to-face interviews.

Our employees can access our Integrated Management System (IMS) portal, which hosts the company's policies, operational processes, HSE procedures, and internal career opportunities via a shared online platform called "Tristar Planet".

## Our workforce overview

In 2013 our workforce comprised of 657 employees in the Middle East – 492 in the UAE, 85 in Kuwait, 68 in Oman and 12 in Qatar. Our shipping operation is composed of 80 employees.

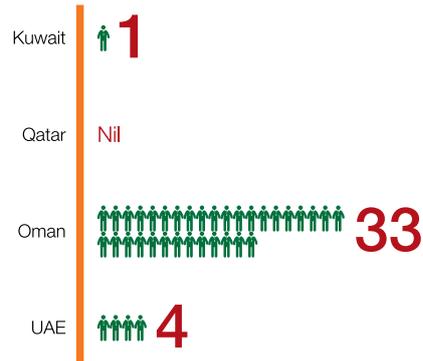
Due to the nature of the business we attract significantly more male employees than females, therefore our female employees amount to only six based in the UAE.



Tristar UAE, Kuwait, Oman and Qatar workforce 2011-2013

## Nationalization

We strive to employ national employees. However, we are faced with several challenges, impacting our ability to achieve our Nationalization objectives. Some of these challenges include: insufficient supply of qualified national labor; heavy reliance on expatriates; competition for local talent from public sector/private companies offering better compensation; working conditions; job security; and prestige.



National employees 2013

Due to the relatively small national population base in the Middle East we have a highly diverse workforce.

Country	Afghanistan	Bangladesh	Cameroon	Egypt	UAE	Philippines	India	Kuwait	Nepal	Oman	Pakistan	Palestine	Sri Lanka	UK	Total
<b>UAE</b>	3	33	1		2	8	293		21		122	1	7	1	492
<b>Kuwait</b>		12		3			57	1					12		85
<b>Oman</b>		1					27			33	7				68
<b>Qatar</b>							8		2				2		12
<b>Grand Total</b>	3	46	1	3	2	8	385	1	23	33	129	1	21	1	657

Workforce diversity 2013

## Our employee well-being

### Employee development

We monitor the performance levels of our employees against departmental KPIs to assess their competencies and identify career development opportunities.

The company has implemented a formal performance evaluation process that periodically documents employee's performance. The purpose of this process is to ensure that employees regularly receive formal and informal feedback on their performance for continual improvement.

In 2013, all our employees were assessed for career development through informal and/or formal meetings.

In line with our employee evaluation process and our corporate strategy, we identify employee training needs as well as development training plans. All employees have to undergo induction training after their joining and thereafter a training calendar is built into the work plan for all employees. On the job training and capacity building is an ongoing activity for field staff, including analyses of effectiveness. Extensive safety training is also given to employees to improve the health and safety of the working environment. The HSE departments across the Middle East assess and review technical training effectiveness and launch new classes to target focus areas.



**“My name is Saif Muhammed Al-Ruwishdi. I am an Omani citizen. I joined Tristar in November 2007 as an Admin Officer, and after a few years I was promoted to the position of HR Manager. Tristar Management supported and showed confidence in my career development through training and work experience. Furthermore, Tristar supported my ambition to start an MBA program in business administration which I am currently following.”**



**Saif Muhammed Al-Ruwishdi**  
HR Manager Oman

Country	Grade	Hours	Number of employees	Avg. training hours
UAE	Office staff	867	83	10.45
	Workforce	8272	409	20.22
Oman	Office staff	83	10	8.3
	Workforce	476	58	8.20

*Training hours UAE and Oman<sup>5</sup>*

Our shipping employees, 28 officers and 48 sailors, attended training courses such as environmental awareness, energy conservation, tanker safety, emergency drill and accident investigation during 2013.

As part of our commitment to enhance employees' skills and to encourage their personal development we sponsor membership to the Toastmasters club for all of those interested. The Toastmasters club is an international non-profit organization that facilitates the development of public speaking and leadership skills.

Furthermore, we leverage on the skills of our internal IT staff to develop IT related courses for our office staff in Dubai. The training modules ranged from general computer skills, e-commerce and using Microsoft applications like Word and Excel. Finally, our HR team conducts English language lessons to our field staff to enhance their English language proficiency.

**Employee engagement**

The company has an open and transparent culture, which facilitates bottom-up communication. Strategic initiatives and objectives are communicated down to departmental levels and then shared with the respective teams<sup>6</sup>. Corporate HR policies are communicated to all employees via the employee handbook. Our newsletter "Tristar World" informs employees about our strategic initiatives, future plans, success stories and key achievements.



In order to encourage employee engagement across the group, Tristar conducts a leadership summit every year which was attended by around 40 managers and key personnel. The main objectives of the summit revolved around the 2017 strategic goals, ensuring that everyone understands their respective roles and responsibilities in achieving Tristar's future goals as well as encouraging team building.



*"My first position with Tristar was Secretary to the AGM for Transport Operations. That was in the summer 2006. In 2007 I was promoted as the Operations Executive, one of the key staff in the BP account. My new position has hugely contributed to my professional growth in that the company gave me new responsibilities and believed in my capacity by assigning me different roles. That exposure has made me explore my strengths and abilities further and made me realize that with great enthusiasm and determination, nothing is impossible. During my annual vacation last December 2013, I got a call from our AGM Aman Wallia, presuming there was an operational issue I was pleasantly surprised to hear it was a new opportunity for me in Tristar - a new assignment as the Account Supervisor for Linde.*

*Life is so challenging but the most important part of it is the acceptance that it is a constant learning process and always strives with our strong determination and faith."*



**Aurabelle U. Dian**

Operations Supervisor, Linde Helium ME FZCO – Account

An area of improvement highlighted by employees throughout the survey was personal development plans. Therefore, we are considering redefining the existing performance appraisal system by identifying gaps and areas of improvements in order to develop improved individual Personal Development Plans (PDP) to better serve their needs.

<sup>5</sup> Kuwait training hours are not available

<sup>6</sup> This applies only to the management in the Middle East

## Employee satisfaction

The effectiveness of our HR policies and procedures, and the well-being of our people are evaluated on an annual basis through our employee surveys. Due to the diversity of our field personnel, we undertake structured interviews in four different dialects.

For the management and administration teams, an online employee survey is conducted annually. Our employee results are benchmarked both internally, from country to country, and externally with other best practice organizations to drive continual improvement.

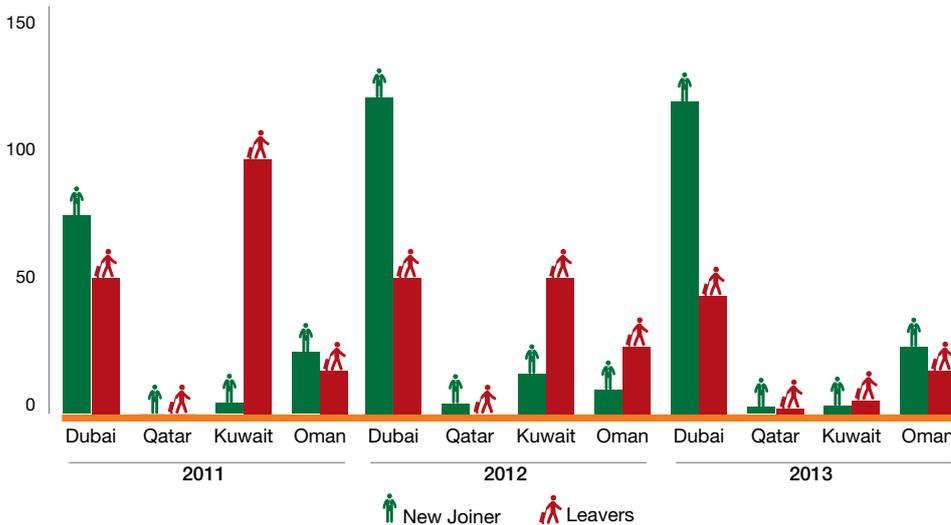
To retain and drive employee satisfaction, we offer attractive compensation and benefits in line with the standard job grading system. We also offer accommodations to our field staff as well as health insurance to all our full time employees.

Our UAE labor accommodation conforms to the strict guidelines recommended by the UAE Municipality, Civil Defense organizations and the Ministry of Labor.

To ensure proper management and maintenance of our field staff accommodation, we employ a full time Facility Manager who reports to the HR department. The Facility Manager's responsibilities include promoting safety in the living space, maintaining an orderly and welcoming abode, and organizing regular social events. In addition, the Facility Manager is responsible for addressing employees' complaints and accommodating their request when possible.

We encourage employee engagement through several social and sports activities. For example, in 2013 we invested in gym facilities and bought table tennis equipment and chess sets.

The satisfaction level of our workforce is reflected in a low turnover rate as shown below. To better understand why people decide to leave the company we conduct exit interviews<sup>7</sup> and we have found that most of our employees leave the company due to personal reasons such as return to their home countries.



Employee turnover 2011 – 2013



Reasons for employee turnover UAE

<sup>7</sup> Records of exit interviews are available only for the UAE



*“Tristar helped me developed my self-confidence. I became more confident with myself believing that I can do it with the help and support of my second family... Tristar.”*

Employees at Tristar's Headquarters



# Improving environmental performance



## In this chapter

- Our approach
- Managing natural resources
- Fuel efficiency

*We acknowledge the impact of our operations on the environment and the communities living close to our activities. We have taken considerable actions to reduce and mitigate any such impact.*

## Our approach

We acknowledge the impact of our operations on the environment and communities living close to our activities, and have taken considerable actions to reduce and mitigate any negative results.



*Environmental expenditure in 2013 (USD)*

We have a well-established Environmental Management System (EMS) as per ISO 14001 standards, which helps us set up processes and practices to identify, evaluate and reduce our environmental impact, and at the same time increase our operating efficiency. Our UAE operations are assessed by the Safety and Quality Assessment System (SQAS) of the European Chemical Industry Council (CEFIC).

Our top management is committed to improve our environmental performance, which is reflected in our environmental policy. Our HSE committee oversees the effectiveness of these systems by holding frequent reviews and progress meetings in order to ensure objectives and targets are met.

### Our environmental improvement teams (UAE)

We believe that effective environmental management, monitoring and reduction cannot be achieved without the full collaboration of our employees. Our Environmental Improvement Teams (EIT), which were created in 2012, have made significant improvements in 2013. The EITs are responsible for identifying and implementing energy, oil, water and waste reduction initiatives as well as driving behavioral change among employees.

Each team is made of eight to 10 members and comprises of a leader responsible to report achievements and targets to the CSRSC. The teams, which are cross-functional and self-managed, are encouraged to identify their own initiatives and targets. Hence, the EITs not only drive waste, fuel, energy and water reduction but also contribute towards supporting employee engagement and

voluntarism.

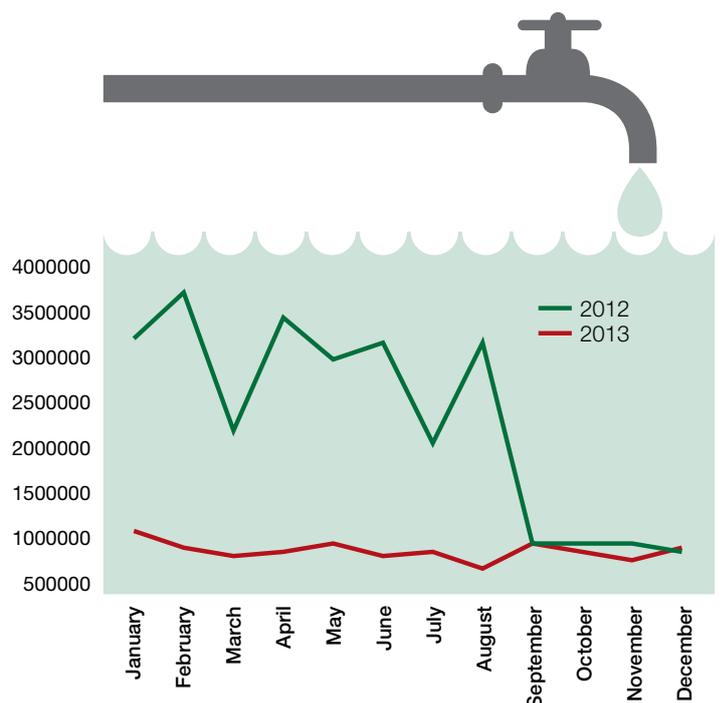
The creation of these teams resulted in successes and soon gained the full support of the CSRSC, including the GCEO. Performance of each EIT is monitored against a common scorecard which has points related to initiatives, behavior, teamwork, engagement and overall reduction. As part of our commitment to foster this initiative, the best team was awarded for their initiatives in 2013.

## Managing natural resources

### Water

Water use has been growing at more than twice the rate of population increase in the last century. The United Nations predicts that by 2025, about 30 countries will be water scarce, out of which 18 will be in the Middle East and North Africa<sup>8</sup>.

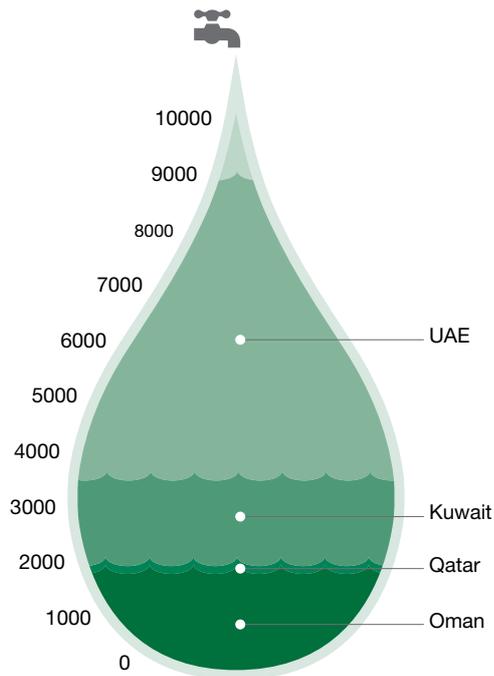
We understand business risks and opportunities related to water scarcity and we are committed to promote responsible water management. Therefore, we have implemented several initiatives to reduce water consumption in 2013, such as the introduction of a permit system in the UAE, which has largely reduced our UAE water usage. The permit system applies to a large extent in the monitoring and careful management of water levels used to wash our vehicles. Since the inception of this initiative our water consumption was significantly reduced.



*UAE water consumption 2012 - 2013 (in liters)*

<sup>8</sup> www.who.org

<sup>8</sup> www.UN.org



Middle East water consumption (in 1000 liters) 2013 (Kuwait, Qatar, Oman and UAE)

Further initiatives that supported our water reduction achievements included the development of awareness sessions conducted to reduce water consumption in the washrooms and washing areas as well as monitoring water usage through flow meters (only in the UAE).

## Energy

The majority of our electricity consumption derives from our workshop activities in the UAE and lighting in other Middle East offices. In all our Middle East operations we monitor consumption through daily meter readings and electricity bills.

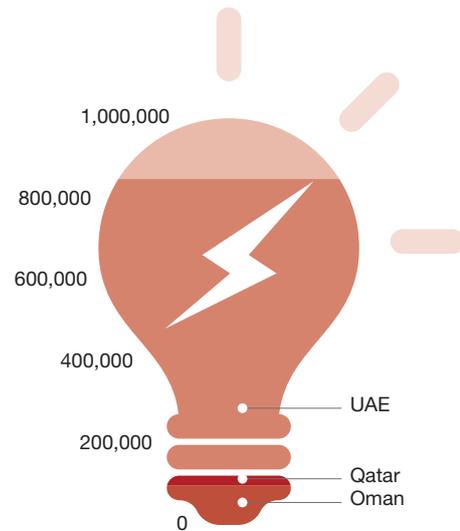
We have taken a number of useful steps to curtail the use of electrical energy in our offices and operations<sup>9</sup>. The following initiatives were developed in 2013 in the UAE:

- Passive sensors have been installed in washrooms and pantries in order to avoid unnecessary use of lighting
- All computers have been set to minimize power usage if left unattended for 10 minutes
- We have established an optimum AC setting of 24C for all workplace areas, which reduces the eventuality of wasteful AC settings being used
- Employees have been educated that switching off electrical equipment at source, rather than to standby contributes to reducing energy usage
- We started replacing conventional lights with light-emitting diode (LED) lights in our Dubai office
- We use skylight and natural ventilation in our warehouses for lighting and cooling

<sup>9</sup>In Kuwait electricity charges are inclusive of facility rental and hence no data available, and no electricity meter available in the facility to verify the consumption.



UAE electricity consumption 2012 - 2013



Middle East electricity consumption (KWT) 2013 (UAE, Oman, Qatar)

Our targets for 2014 include 5% reduction in electricity consumption and we aim to implement the following initiatives:

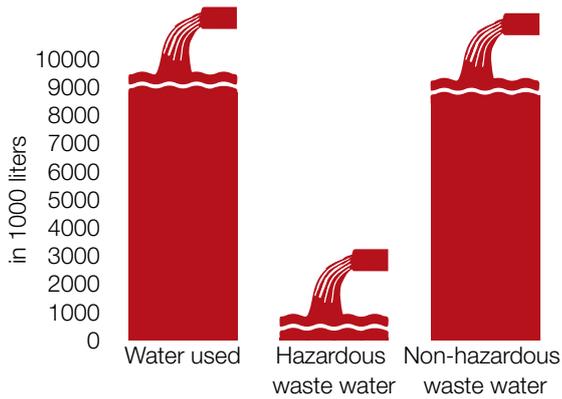
- Enhance employees' awareness through campaign with posters, monthly email and quarterly Town Hall meetings
- Conduct feasibility study and implementation of energy efficient appliances. For example, we are exploring energy efficient air cons with different suppliers for cost and benefit analysis
- Conduct an energy audit
- Conduct a feasibility study for solar light implementation

## Waste

We manage and control different waste streams generated by our activities, as per the national and international legal guidance and laws. Our main waste streams are: waste water, paper waste, food waste, tyres, printer toners, e-waste, shrink wrapping film and wooden pallets.

### Waste water

One of our main source of waste is water, which is either hazardous or non-hazardous with the latter normally being the wash water from tanks after cleaning the remnants of the chemicals they can carry. We dispose both streams of water through Municipality approved contractors only.



Water used, hazardous waste and non-hazardous waste water 2013 (UAE)

### Used tyre

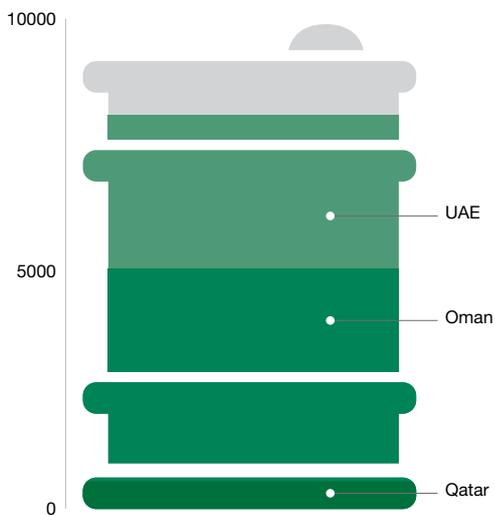
Used tyre is generated from our UAE workshop, where aged and non-usable tyres are removed from our vehicles. During 2013 there were 1,362 tyres sent for disposal through a local scrap tyre supplier. We are also considering installing a tyre recycling plant within our facility in Dubai.

We have also installed a nitrogen gas tyre filling station in the workshop, which allows for a prolonged lifespan of the trucks' tyres for better mileage and safety reasons.

### Waste oil

Waste oil represents a large part our hazard waste. We collect used oil from our vehicles and store it in a separated tank which is then collected by a Municipality approved waste collection company for recycling. We implemented the following initiatives to reduce the use of oil in our vehicles during 2013:

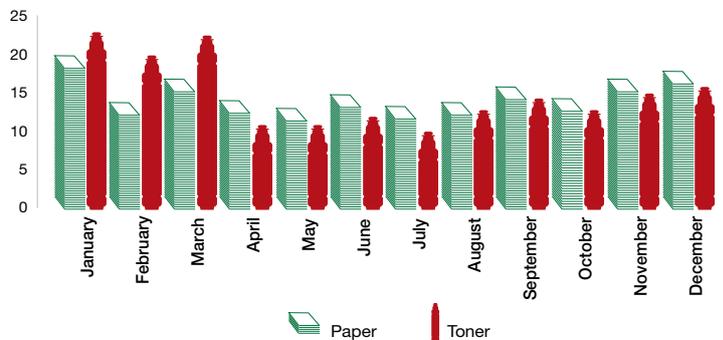
- We have changed the engine oil grade to a superior one (from CH4 to CI4) which have longer life.
- We have taken around 150 oil sample for lab test. We discovered that the interval time of engine oil service can be extended of 5,000 km and consequently we will get additional 139 km for using 1 liter engine oil.



Middle East waste oil (in liters) 2013 (UAE, Oman, Qatar)

### Paper waste

Paper waste is mainly generated from office operations. In 2013 we installed a storage box in the common printer area with the objective to reduce our paper waste (UAE only). At the end of 2013 our printing trends increased due to printing requirement of the new ERP implementation and tender submission.



UAE paper (reams) & toner (nos.) consumption 2013

### Food waste

Food waste is generated from office pantries. We are conscious that about one third of global food production (around 30 to 40%), is lost or wasted annually<sup>10</sup> and we are committed to reduce our food waste. Therefore, we have installed a food recycling machine in our head office pantry. This machine has a capacity of processing 5 kg of food waste, which will be compressed to only 5% of its weight. The left-over from the food recycling machine (fertilizer) is utilized to make a vegetable bed along the boundary wall of our head office. Currently we have planted only few types of vegetables, such as tomato, cucumber and bitter-gourd and we are planning to continue this initiative in 2014.

Our targets for 2014 include reduction in waste by implementing following initiatives:

- Conducting a Recycling Day event and educational programs during the year for employee awareness
- Working with Emirates Environmental Group (EEG) to collect waste for recycling purpose including papers, plastic, glass, cans, battery and mobile phones
- Conduct feasibility of setting up tyre recycling plant
- Raising awareness on E-waste Disposal

### Oil spills

During 2013 in our UAE operations we had one product spill of 4.32 MT due to a vehicle failure by a mechanical problem. Our emergency response team reached the incident site in a timely manner and provided full assistance to the authority to clean the site. Furthermore, we had a minor spillage of five liters lubricant oil in Qatar. This minor spill was caused by a forklift operator who hit the drum unintentionally with a forklift blade.

In order to avoid future accidents, we reviewed our maintenance system and made our vehicle suspension system check more stringent. Furthermore, we conducted additional training on roll-over prevention and dedicated a quarterly safety meeting to prevention of similar accidents.

<sup>10</sup> <http://www.fao.org/save-food/key-findings/en/>



### Case Study: Oil spill prevention

Tristar has owned and operated Lubricants barges serving oil majors in the port of Fujairah since 2010. Conscious of risks associated to these operations and the need to be ready at all times to manage emergencies such as oil spills, Tristar has for the past few years been conducting oil spill exercises with the vessels' charterers and the vessel managers.

The desktop exercise is an efficient way to ensure that all parties are aware of their roles and responsibilities in such an event. However, to handle an oil spill the biggest challenge is to deploy the containment and recovery equipment as quickly as possible on the accident/incident site and this was never previously tested.

Therefore, starting 2013, we decided to conduct two annual oil spill exercises, one desktop and one with full deployment of equipment at an outer anchorage area also involving the port authorities.

The first exercise was conducted in May 2013. Two of our bunker vessels, Tristar Legend and Tristar Courage had a supposed collision off Fujairah port. The Managers, the Charterers and the Port took part in the exercise. As expected, this exercise brought to evidence some areas for improvement, both on the communications between the various parties and on the operational aspects. Nevertheless, the overall application of this exercise proved to be very beneficial to those taking part and has enhanced our readiness in mitigating any future oil spill emergency situation.

## Fuel efficiency

During 2013, we strived to reduce our fuel consumption through various carbon efficiency measures.

### CO<sub>2</sub> reporting

Through the evaluation of our carbon footprint figures, we are able to develop and implement targeted measures that allow us to reduce both fuel consumption and energy use. We acknowledge that we cannot manage what we cannot measure. Therefore, in 2013 we invested to train some of our staff members in carbon footprint reporting and we calculated our 2013 GHG emissions for Tristar Head Office operation.

Description	Consumption	UOM <sup>11</sup>	GHG Emission	UOM
<b>Electricity consumption</b>	848,287.08	Kwh	5938.0096	Ton
<b>Km running</b>	16,815,097	KM	2858.5665	Ton
<b>Waste disposal</b>	1,796.72	Ton	85.935	Ton
<b>Water consumption</b>	1,938,900	Gallon	1357.23	Ton

GHG emissions 2013 (Dubai)

### Case Study: Air conditioning service station

This initiative came from our workshop team who identified the Würth A/C service station machine. This machine generates early warning signs in case of any leakage of refrigerant gas that might happen while conducting A/C services. The machine will also recycle the recovered gas and the same can be used to refill back to the A/C unit after servicing.

This will save us from discharging CFC gases to the atmosphere during A/C servicing.



In 2014, we will be able to calculate the reductions achieved as result of our fuel efficiency initiatives.

2013 fuel efficiency initiatives	Description
<b>Staff awareness program</b>	We developed a staff awareness campaign with the objective of improving fuel-efficient driving skills among our drivers and staff members. Furthermore, as part of the Dubai-RTA car free day, we distributed Eco-Tips leaflets and educated staff on GHG emissions.
<b>Improving fuel management system</b>	We invested in improving our fuel management system by the use of OSM software in our transport operation for diesel issuance. This practice saved us approximately 5% of fuel.
<b>GPS integrated fuel tank monitoring</b>	We have initiated a fuel tank monitoring system capable of detecting any drop or spillages of fuel. This system provides immediate notification in case of spillages.
<b>Journey Management</b>	As per our journey management program every effort is made to send our vehicles on the shortest and safest route for product delivery. Our scheduling department consolidates various deliveries on a single vehicle in such a way that maximum volume can be delivered with minimum KM travelled. All our vehicles are fitted with GPS based tracking devices through which we are constantly monitoring the route, harsh braking, excess idling, and stoppage of our vehicles to improve fuel economy.
<b>Defensive Driving</b>	All our drivers are trained to drive defensively so that they operate their vehicles smoothly in the correct gear, correct RPM and correct speed to improve fuel economy.

By 2014, we aim to reduce our fuel consumption by 2% implementing the following initiatives:

- Measuring and controlling fuel procurement and optimum usage
- Increasing awareness on fuel usage, tyre handling and maintenance
- Improving GHG emission accounting and seeking offset means
- Working with authorities on green fuel projects, such as compressed natural gas (CNG)

<sup>11</sup>Unit of measure



Engaging  
with our  
communities



In this chapter

- Our approach
- Our commitment to road safety
- Promoting education

*Supporting and investing in local community development is an integral part of Tristar's approach to sustainable business.*

## Our approach

Our social activities encourage us to behave responsibly while improving the quality of life of our workforce, contractors and society at large.

Our commitment towards community development is demonstrated by the scope of our community development initiatives within the Middle East, Asia and Africa, and the actual expenditure against budget. From 2013 this has been fixed at 0.5% of net profit. We have the intention to invest more on community development if there are any such opportunities which require our immediate attention. We developed a society survey in 2013 to identify opportunities for improvement.

We engage with the communities in each country of operation, in particular where the political environment is not stable and security represents a challenge for our operations. We create and foster good relationships with those communities by providing jobs, basic amenities and development opportunities as well as building trust over many years. We believe that our excellent safety record, despite the increased risk of instability and dangers of militancy in countries such as South Sudan, is a direct consequence of our positive community engagement efforts. For example, in South Sudan education is one of our main focus areas and so we regularly invest in improving schooling facilities (for further information refer to promoting education section).

Our goal for 2014 is to adopt a more structured approach to community engagement. By developing common criteria or guidelines, we aim to enhance our community development initiatives and ensure that our community projects are in line with our current strategic approach.

RoSPA is an accredited provider of Driver Certificate of Professional Competence courses for HGV and bus drivers. RoSPA uses a variety of well proven assessment tools which embrace the principles of ALARP (As Low As Reasonable Practicable) and ERICPD (Eliminate, Reduce, Isolate, Control, Personal Protective Equipment, Discipline).

## Our commitment to road safety

As a major logistics company we are fully aware of the potential road dangers. We are proud of our safety record, and as a responsible part of the wider community, we feel that others can benefit from our experience.

Tristar has a strong system in place for managing occupational road risk, with clear leadership and commitment from the company's senior management. We are committed to sharing our expertise and resources to help improve road safety outside Tristar.

We aim to develop our road safety activities even further by implementing a safety campaign for heavy truck drivers in the UAE. The Royal Society for the Prevention of Accidents (RoSPA) is going to work with us on this in 2014 with the support from the Roads and Transport Authority (RTA).

RoSPA will be facilitating learning sessions for a selected number of Tristar trainers who will then impart free of cost safety knowledge to heavy truck drivers of other transportation companies using classroom sessions and on road shows. We have targeted heavy truck drivers for this safety campaign because they are highly vulnerable on the road and are involved in majority of serious accidents. Furthermore, we are also planning to target schools and train 16 and 17 years old students on road safety who are going to be potential drivers in a year or two.



### Road safety awareness for school children

In 2013, Tristar Pakistan organized a road safety awareness session with National Highway and Motorway Police for young students of The Educators School in Karachi. The students were given gift packs and educational road safety booklets.

## Collaboration with the motorway police in Pakistan

Tristar Pakistan, in collaboration with the National Highway and Motorway Police (NHMP), inaugurated Sindh's first state-of-the-art road safety training institute at our base in Karachi. Tristar has provided space and necessary logistical arrangements to run this institute successfully. The training is conducted by accredited trainers of NHMP and aims to enhance defensive driving skills. The institute will be beneficial in creating a safe driving culture in the country, in particular in the Southern region.



## Supporting a school in Karachi

In collaboration with the non-governmental organization HANDS Karachi Rural, our team in Pakistan financed a new classroom and donated 50 chairs, 10 tables and 150 school bags to the Sughra Sabir Memorial Trust School (Nodo Jokhio Village).



## Adopt a school in Guam

Tristar Guam employees and their families volunteered in the Adopt A School Project by cleaning and repainting the V.S.A. Benavente Middle School. Our Guam team was involved in this project for its second year and the Group aims to turn this into an annual event. Other than services contributed by the Group, Tristar donated pails of paint and cleaning materials.



## Promoting education

### Promoting education in South Sudan

In addition to our school in Yapa village of South Sudan which is operating since 2009 with strength of around 600 students, in 2013, we donated a block of three classrooms to the Gabat Primary School in Juba, capital of South Sudan. The three additional classrooms have been able to accommodate an additional 40 students from grades 6, 7 and 8 and have expanded Gabat Primary school to include a secondary school.



Project	Location	Description
<b>Local soup kitchen</b>	Guam	Kusina Kamalen Karidat is a local soup kitchen which has been operating for over 10 years. The kitchen's goal is to serve a hot meal to the island's less fortunate residents every evening throughout the year.
<b>Blood donations</b>	DRC and Oman	Sixteen staff members from the Democratic Republic of Congo and three employees from Oman donated blood in their respective localities as part of the company's campaign to support blood donation clinics worldwide.
<b>Bike around the world</b>	UAE	Tristar is supporting Somen Debnath who is travelling around the world on a bicycle and is giving HIV/AIDS awareness seminars. Somen started his campaign in India on May 27, 2004 and is targeting 191 countries by 2020.
<b>Adopt A Camp</b>	UAE	Our employees volunteered to the Adopt A Camp event held during Ramadan. Around 20 Tristar employees helped pack and wrap boxes containing food and personal hygiene. The boxes were distributed in various labor camps in Dubai. This was a good opportunity to enhance employee engagement and voluntarism.
<b>World Environment Day 2013</b>	Tristar Network	The whole Tristar global network celebrated the World Environment Day by encouraging discussion around this year's theme, Think.Eat.Save, which is an anti-food waste and food loss campaign. Some countries planted trees and implemented energy saving activities.
<b>Annual blood donation</b>	Tristar Headquarter	Organized blood donation camp under the patronage of Dubai Health Authority at Tristar head office which was attended by employees and neighboring companies. Participants also received blood donor cards from the hospital to mark their contribution to this noble cause

*Other community development initiatives and donations in 2013*



# GRI Index

● Fully Reported ○ Partially Reported ● Not Reported

UN Global Compact Principles	GRI Index	Page No.	Direct answer and/or reason for omission
<b>Strategy and analysis</b>			
	1.1 ● Statement from the most senior decision-maker of the organization. (F)	5;7	
	1.2 ● Description of key impacts, risks, and opportunities. (F)	5;7	
<b>Organizational profile</b>			
	2.1 ● Name of the organization. (F)	1	Tristar
	2.2 ● Primary brands, products, and/or services. (F)	8–12	
	2.3 ● Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures. (F)	8–12	
	2.4 ● Location of organization's headquarters. (F)	9	
	2.5 ● Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report. (F)	9	
	2.6 ● Nature of ownership and legal form. (F)	9	
	2.7 ● Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries). (F)	8–12	
	2.8 ● Scale of the reporting organization. (F)	8–12	
	2.9 ● Significant changes during the reporting period regarding size, structure, or ownership. (F)		There were no significant changes during the reporting period
	2.10 ● Awards received in the reporting period. (F)	26	
<b>Report parameters</b>			
	3.1 ● Reporting period (e.g., fiscal/calendar year) for information provided. (F)		1st January 2013 until December 3013
	3.2 ● Date of most recent previous report (if any). (F)		2012
	3.3 ● Reporting cycle (annual, biennial, etc.) (F)		Annual
	3.4 ● Contact point for questions regarding the report or its contents. (F)	60	
	3.5 ● Process for defining report content. (F)	23	
	3.6 ● Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance. (F)	2	

UN Global Compact Principles	GRI Index	Page No.	Direct answer and/or reason for omission
	3.7 ● State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope). (F)		None
	3.8 ● Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations. (F)	2	
	3.9 ● Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols. (F)	2	
	3.10 ● Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement. (F)		There were no restatements in 2013
	3.11 ● Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report. (F)	2	
	3.12 ● Table identifying the location of the Standard Disclosures in the report. (F)		GRI Index
	3.13 ● Policy and current practice with regard to seeking external assurance for the report. (F)		This report is not externally assured

## Governance, Commitment and Engagement

	4.1 ● Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight. (F)	19–21	
	4.2 ● Indicate whether the Chair of the highest governance body is also an executive officer. (F)	19	
	4.3 ● For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members. (F)	19	
	4.4 ● Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body. (F)	19–21	
	4.5 ● Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance). (N)		Proprietary information
	4.6 ● Processes in place for the highest governance body to ensure conflicts of interest are avoided. (F)	15	
	4.7 ● Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity. (F)	19–21	

UN Global Compact Principles	GRI Index		Page No.	Direct answer and/or reason for omission
	4.8	● Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation. (F)	13	
	4.9	● Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles. (F)	20–21	
	4.10	● Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance. (N)		Proprietary information
7	4.11	● Explanation of whether and how the precautionary approach or principle is addressed by the organization. (F)		Tristar view the Precautionary Principle as an application of the principles of risk assessment and risk management. Risk assessment includes hazard identification, characterization, exposure assessment and risk assessment. Risk management encompasses the identification, selection and implementation of alternative actions for addressing risk through the control of identified hazard(s) and/or exposure
	4.12	● Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses. (F)	15	
	4.13	● Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: <ul style="list-style-type: none"> <li>• Has positions in governance bodies;</li> <li>• Participates in projects or committees;</li> <li>• Provides substantive funding beyond routine membership dues; or</li> <li>• Views membership as strategic. (F)</li> </ul>		<ol style="list-style-type: none"> <li>1. UNGC</li> <li>2. Sustainability Network of Dubai Chamber</li> <li>3. Dubai Quality Group</li> <li>4. Supply Chain and Logistics Group</li> <li>5. Royal Society for the Prevention of Accidents (RoSPA)</li> <li>6. International Air Transport Association (IATA)</li> </ol>
	4.14	● List of stakeholder groups engaged by the organization. (F)	22	
	4.15	● Basis for identification and selection of stakeholders with whom to engage. (F)	22	
	4.16	● Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group. (F)	22	
	4.17	● Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. (F)	22	

UN Global Compact Principles	GRI Index	Page No.	Direct answer and/or reason for omission
<b>Disclosure on Economic</b>			
<b>Management Approach</b>			
	● Economic performance (F)	13	
	● Market presence (F)	10–12	
	● Indirect economic impacts (F)	13	
<b>Economic performance indicators</b>			
	EC1 ● Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments. (F)	13	
	EC2 ● Financial implications and other risks and opportunities for the organization’s activities due to climate change. (N)		
	EC3 ● Coverage of the organization’s defined benefit plan obligations. (F)	33–36	
	EC4 ● Significant financial assistance received from government. (F)		No financial assistance received from government
	EC5 ● Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation. (N)		Not available
	EC6 ● Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation. (F)	13	
<b>6</b>	EC7 ● Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation. (F)	34	
	EC8 ● Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement. (F)	45–47	
	EC9 ● Understanding and describing significant indirect economic impacts, including the extent of impacts. (F)	45–47	
<b>Disclosure on Environment</b>			
<b>Management Approach</b>			
	● Materials (F)	41	
	● Energy (F)	40	
	● Water (F)	39–40	
	● Biodiversity (N)		Not material as Tristar is a logistic company
	● Emissions, effluents and waste (F)	41	
	● Products and services (F)	11,12;39–43	

UN Global Compact Principles	GRI Index	Page No.	Direct answer and/or reason for omission
	● Compliance (F)	39–43	
	● Transport (F)	39–43	
	● Overall (F)	39–43	
	● Assessment (N)		
	● Remediation (N)		
<b>Environment performance indicators</b>			
	EN1 ● Materials used by weight or volume. (N)		Not available
	EN2 ● Percentage of materials used that are recycled input materials. (N)		Not available
	EN3 ● Direct energy consumption by primary energy source. (N)		Not available
<b>8</b>	EN4 ● Indirect energy consumption by primary source. (F)	40	Tristar source electricity from the local energy authorities (DEWA, KAHRAMAA and PAEW)
	EN5 ● Energy saved due to conservation and efficiency improvements. (F)	40	Tristar developed initiative to improve energy efficiency. However, this year we were unable to calculate the energy saved
	EN6 ● Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives. (N)		
	EN7 ● Initiatives to reduce indirect energy consumption and reductions achieved. (N)		
<b>8</b>	EN8 ● Total water withdrawal by source. (F)	39	The total amount of water used by Tristar is purchased from the municipality.
	EN9 ● Water sources significantly affected by withdrawal of water. (N)		
	EN10 ● Percentage and total volume of water recycled and reused. (N)		
	EN11 ● Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas. (N)		
	EN12 ● Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas. (N)		
	EN13 ● Habitats protected or restored. (N)		
	EN14 ● Strategies, current actions, and future plans for managing impacts on biodiversity. (N)		
	EN15 ● Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk. (N)		
<b>8</b>	EN16 ● Total direct and indirect greenhouse gas emissions by weight. (F)	43	

UN Global Compact Principles	GRI Index		Page No.	Direct answer and/or reason for omission
	EN17	● Other relevant indirect greenhouse gas emissions by weight. (N)		
7,8,9	EN18	● Initiatives to reduce greenhouse gas emissions and reductions achieved. (F)	43	Reduction achieved as result of initiatives is not available.
	EN19	● Emissions of ozone-depleting substances by weight. (N)		
	EN20	● NOx, SOx, and other significant air emissions by type and weight. (N)		
	EN21	● Total water discharge by quality and destination. (N)		
8	EN22	● Total weight of waste by type and disposal method. (F)	41	
	EN23	● Total number and volume of significant spills. (F)	41–42	
	EN24	● Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally. (N)		
	EN25	● Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff. (N)		
7,8,9	EN26	● Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation. (F)	39–43	
	EN27	● Percentage of products sold and their packaging materials that are reclaimed by category. (N)		
	EN28	● Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations. (F)		Tristar did not receive any fines or non-monetary sanctions for non-compliance with environmental law and regulations
	EN29	● Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce. (N)		
7,8,9	EN30	● Total environmental protection expenditures and investments by type. (F)	39	
<b>Disclosure on Labor</b>				
<b>Management Approach</b>				
		● Employment (F)	33–36	
		● Labor/management relations (F)	36	
		● Occupational health and safety (F)	29–31	
		● Training and education (F)	34–35	
		● Diversity and equal opportunity (F)	33–37	
		● Equal remuneration for women and men (F)		In line with Tristar equal opportunity policy, the company provides equal remuneration for woman and men

UN Global Compact Principles	GRI Index		Page No.	Direct answer and/or reason for omission
<b>Labor performance indicators</b>				
	LA1	● Total workforce by employment type, employment contract, and region, broken down by gender. (F)	33–34	
<b>6</b>	LA2	○ Total number and rate of new employee hires and employee turnover by age group, gender, and region. (P)	36	
	LA3	● Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations. (F)	36	
	LA15	● Return to work and retention rates after parental leave, by gender. (N)		
<b>1,3</b>	LA4	● Percentage of employees covered by collective bargaining agreements. (F)	14–15	Collective bargaining is not allowed in GCC
	LA5	● Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements. (N)		
	LA6	● Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs. (F)	29	
<b>1</b>	LA7	● Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender. (F)	31	
	LA8	● Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases. (N)		
	LA9	● Health and safety topics covered in formal agreements with trade unions. (N)		
	LA10	● Average hours of training per year per employee by gender, and by employee category. (F)	35–36	
	LA11	● Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings. (F)	36	
	LA12	● Percentage of employees receiving regular performance and career development reviews, by gender. (F)	34	
<b>1,6</b>	LA13	● Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity. (F)	33–34	
	LA14	● Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation. (N)		

UN Global Compact Principles	GRI Index	Page No.	Direct answer and/or reason for omission
<b>Disclosure on Human Rights</b>			
<b>Management Approach</b>			
	● Investment and procurement practices (F)	14–15	
	● Non-discrimination (F)	14–15	
	● Freedom of association and collective bargaining (F)	14–15	
	● Child labor (F)	14–15	
	● Prevention of forced and compulsory labor (F)	14–15	
	● Security practices (F)	14–15	
	● Indigenous rights (N)		Not applicable
	● Assessment (N)		Not applicable
	● Remediation (N)		Not applicable
<b>Human Rights performance indicators</b>			
	HR1 ● Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening. (N)		
	HR2 ● Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken. (N)		
	HR3 ● Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained. (F)	14–15	
<b>1,2,6</b>	HR4 ● Total number of incidents of discrimination and actions taken. (F)		None
	HR5 ● Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights. (N)		
<b>1,2,5</b>	HR6 ● Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor (F)	13;15	
<b>1,2,3,4</b>	HR7 ● Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor (F)	15	None of Tristar operations have been identified as having significant risk for incidents of forced or compulsory labor

UN Global Compact Principles	GRI Index		Page No.	Direct answer and/or reason for omission
	HR8	● Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations (N)		
	HR9	● Total number of incidents of violations involving rights of indigenous people and actions taken (N)		
	HR10	● Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments (F)		100%
	HR11	● Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms (F)		None
<b>Disclosure on Social</b>				
<b>Management Approach</b>				
		● Local communities (F)	45–47	
		● Corruption (F)	14–15	
		● Public policy (N)		Not applicable
		● Anti-competitive behavior (F)	14–15	
		● Compliance (F)	14–15	
<b>Social performance indicators</b>				
	SO1	○ Percentage of operations with implemented local community engagement, impact assessments, and development programs. (P)	57–60	Tristar is a logistic company; therefore any programs in place for assessing the impacts of operations on local communities while making decisions to exit the community is not material
	SO9	● Operations with significant potential or actual negative impacts on local communities. (F)	45–47	
	SO10	● Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities. (N)		
<b>10</b>	SO2	● Percentage and total number of business units analyzed for risks related to corruption. (F)		100%
	SO3	● Percentage of employees trained in organization's anti-corruption policies and procedures. (N)		
<b>10</b>	SO4	● Actions taken in response to incidents of corruption. (F)		None
	SO5	● Public policy positions and participation in public policy development and lobbying. (N)		
	SO6	● Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country. (F)		Zero

UN Global Compact Principles	GRI Index	Page No.	Direct answer and/or reason for omission
	S07 ● Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes. (F)		None
	S08 ● Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations. (F)		None
<b>Disclosure on Product Responsibility</b>			
<b>Management Approach</b>			
	● Customer health and safety (F)	25–27	
	● Product and service labelling (N)		Not material for Tristar
	● Marketing communications (N)		Not material for Tristar
	● Customer privacy (F)	25–27	
	● Compliance (F)	25–27	
<b>Product Responsibility performance indicators</b>			
PR1	● Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures. (N)		
PR2	● Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes. (F)		None
PR3	● Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements. (N)		
PR4	● Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes. (N)		
PR5	● Practices related to customer satisfaction, including results of surveys measuring customer satisfaction. (F)	25–27	
PR6	● Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship. (N)		
PR7	● Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes. (F)		None
PR8	● Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data. (F)		None
PR9	● Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services. (F)		None



## Statement GRI Application Level Check

GRI hereby states that **Tristar Transport LLC** has presented its report "Tristar Sustainability Report 2013" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level B.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines. For methodology, see [www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf](http://www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf)

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 23 May 2014

A handwritten signature in black ink, appearing to read "Ásthildur Hjaltadóttir".

Ásthildur Hjaltadóttir  
Director Services  
Global Reporting Initiative

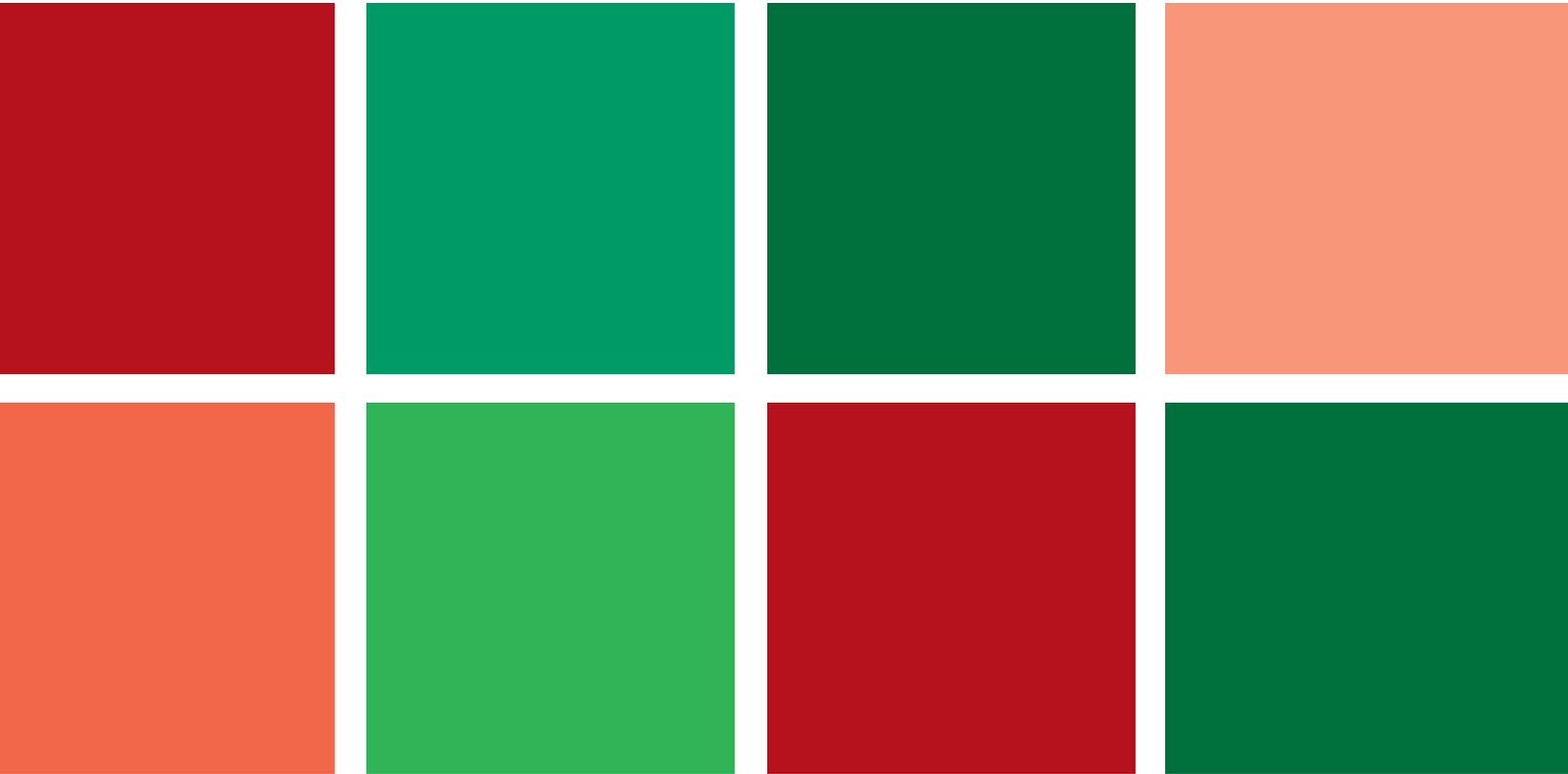


*The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. [www.globalreporting.org](http://www.globalreporting.org)*

**Disclaimer:** Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 19 May 2014. GRI explicitly excludes the statement being applied to any later changes to such material.

# Glossary of terms

3PL	Third Party Logistics	NGO	Non-Government Organization
4PL	Fourth Party Logistics	GCC	Gulf Cooperating Council
BDO	Business Development Officer	GPS	Global Positioning System
COO	Chief Operating Officer	ISO	International Organization for Standardization
CFAO	Chief Financial & Administrative Officer	LED	Light-Emitting Diode
CNG	Compressed Natural Gas	LLC	Limited Liability Company
CO <sub>2</sub>	Carbon Dioxide	LPG	Liquefied Petroleum Gas
EBS	Electronic Brake System	LDR	Lost Day Rate
EMS	Environmental Management System	MORR	Managing Occupational Road Risk
EEG	Environmental Environment Group	OCIMF	Oil Companies International Marine Forum
CEFIC	European Chemical Industry Council	ODR	Occupational Diseases Rate
CSRSC	Corporate Social Responsibility Steering Committee	OEM	Original Equipment Manufacturer
CSO	Chief Sustainability Officer	PDP	Personal Development Plans
DNV	Det Norske Veritas	PPM	Planned Preventative Maintenance
EIT	Environmental Improvement Teams	RFID	Radio-Frequency Identification
ERP	Enterprise Resource Planning	RoSPA	Royal Society for the Prevention of Accidents
EY	Ernst & Young	RT	Road Transport
GCEO	Group Chief Executive Officer	RTA	Roads and Transport Authority
GDP	Gross Domestic Product	RWD	Rollover Warning Device
GM	General Manager	SCATA	Supply Chain and Transport Award
GRI	Global Reporting Initiative	SDO	Strategy Delivery Office
HSE	Health, Safety and Environment	SIRE	Ship Inspection Report Programme
GHG	Greenhouse Gas	SQAS	Safety and Quality Assessment System
IMS	Integrated Management System	UNGC	United Nations Global Compact
KM	Kilometer	VRM	Virtual Risk Management
KPI	Key Performance Indicator	WHO	World Health Organization
MR	Medium Range	WMS	Warehousing Management System
MESA	Middle East and South Asia	UOM	Unit of Measure



## CONTACT US

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