

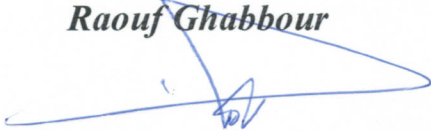
We continue to deliver GB Auto's Annual Communication of Progress and Support of the Principles of the United Nations Global Compact for the third year in a row.

GB Auto remains to take different approaches to reinforce our practices in the areas of Human Rights, Labor, Environment and Anti-Corruption in the organization.

GB Auto is leading other companies in the dynamic markets we are operating in to follow our footsteps and reinforce such practices, as it is vital for the success of all companies.

Kind Regards,

Raouf Ghabbour



Chairman & CEO

GB Auto



Human Rights

Assessment policy and goals

GB Auto's policy regarding Human Rights is to comply fully with human rights legislation in the countries in which it operates, and to be an Employer of Choice operating to the highest standards in relation to employment practices.

GB Auto has always striven to positively impact communities in which it does business, in part through donations to hospitals, training foundations and educational funds. We believe in the necessity of enhanced cooperation between the private sector and civil society.

This is reflected in employment policies and practices that promote diversity; ensure no discrimination on the basis of gender, race, religious, political or sexual orientation; set out clearly the rights and obligations of both the management and employees; and provide formal channels for employees to raise complaints and grievances, with no penalty to the employee.

In all its policies the Company stresses the need for mutual respect in the workplace as between the management and the workforce, and between individual employees.

Breaches of Company policy in all these areas can give rise to action under a formal disciplinary procedure.

Implementation

GB Academy is sponsoring the efforts of the Ministry of Education to modify and update the curriculum taught to technical school students. The Academy third floor meeting room hosted the launching event attended by key figures from the Ministry of Education and automotive businesses working in the country.

As part of our community responsibility efforts we continuously support the Children's Cancer Hospital Foundation through donations or continuous contribution in social events (i.e. marathons).

Driven by its commitment to its core values, which focus on contributing to community development, Hyundai launched "Hyundai loves you" campaign through GB Ghabbour Auto. The campaign aims at integrating orphans into society. GB Ghabbour Auto branded Kidzania city with "Hyundai Loves You" to emphasize to those children that they are part of the society and all Egyptians are their family.

A significant time and effort was invested in the harmonization of compensation & benefits and bonus schemes where employees have the right to equal pay for equal work via evaluating all jobs in the organization. Job evaluation requires us to compare all jobs on the basis of job knowledge, problem solving and accountability.

We implemented communication efforts to raise the overall awareness of the Complaint Policy & Employee Statutes.

Enhanced communication has been introduced such as the Newsletter (Akhbarna), Bulletin Boards & Portal. The process of updating the company portal is ongoing. The portal is to promote a transparent and proactive flow of information to our employees regarding all Company policies.

We encourage employees to provide us with feedback via Round Tables, Engagement Surveys or Suggestion Boxes.

GB Auto recognizes the importance of social gatherings outside of work (Ramadan Football Tournament) and employee recognition programs for the benefit of work-life balance. We will continue to bring focus on the recognition programs.

Measurement of Outcome

GB Auto is taking the leading role in helping the Ministry develop the curriculum that provides today students and future labor with what prepares them for the real job market; hence, supporting the country economy in general.

We monitor employee turnover which is low for the markets in which we operate.

Despite the fragile political and economic environment in Egypt we have had no serious labor unrest.

Our employee engagement surveys monitor employee satisfaction, and we take steps to deal with issues that are concerning staff.

In the last year we have had no complaints of discrimination of any kind.

Formal complaints via the procedure are few and are dealt with per the procedure.

Labor

Assessment policy and goals

Our management practices are designed to reinforce a culture of transparency, responsibility, accountability, respect and integrity.

GB Auto supports the UNGC principles on labor standards in addition to compliance with local laws on labor rights.

The management of our employees' compensation and benefits, based on job evaluation and regular pay surveys is a critical element in ensuring we attract, retain and motivate the best employees. Fringe benefits are integral in supporting our employees.

Since work-life balance has become a major consideration for individuals as how they assess a company as a place to work balancing work and personal responsibilities is a continuous priority for GB Auto.

Our employees have the freedom to join the labor union of their choice and be part of any association or nongovernmental foundation.

Promotion from within is a key HR principle and GB Auto aims to offer continuous training and career development to its employees.

We aim to develop a culture in which men and women of all backgrounds can build on the strengths of diversity while they work together as a team for the success of GB Auto.

Implementation

A Complaints Policy and Procedure has been introduced to create a transparent culture where any employee will feel free to raise a legitimate complaint about his treatment at work or about Company policies and processes, and know that it will be dealt with fairly, without negative consequences. This policy is posted on the GB Auto portal and distributed to the employees electronically and by hard copy.

This year GB Auto has reviewed its' Employment Statutes which set out clearly the rules that all employees and managers must abide by at work and the responsibilities of management to employees and vice versa. The Statutes are a clear guide to the behavior that GB Auto expects from its managers and employees and also set the standards and rules that govern the relationship

between them. The Statutes include: Code of Ethics; Principles of Conduct and General Duties; Rules and Procedures for Managing and Evaluating Job Performance; Rules and Procedures for Investigation and Imposing Penalties.

GB Auto has in place medical insurance which covers all employees for regular health care and medical attention required in the event of illness or injury. We monitor the quality of the coverage and ensure our Medical coverage remains competitive with the market.

In addition to Social Insurance, GB Auto provides additional insurance coverage for Accidental Death & Permanent Disability (Partial or Total).

Workplace Fringe Benefits have been introduced such as flexi-hours, meals provided on site or meal allowances and transportation to and from work by Bus at no cost to employees.

Each year the Company arranges heavily subsidized vacation trips for lower paid staff.

My Career Opportunity (MCO) is GB Auto's internal recruitment initiative allowing existing GB Auto employees to apply for new or current job vacancies and giving them priority over external candidates.

GB Auto is committed to the ongoing training and development of its employees. The GB Training Academy runs a wide variety of technical, managerial, and other training programs.

We encourage fair employment practices and offer equal opportunities to all our employees. All decisions and actions regarding employment matters must be taken in an objective, honest and nondiscriminatory manner regardless of the gender, color, age, religion or belief.

GB Auto is launching its Employee Stock Ownership Program (ESOP), which will allow employees to have a deeper sense of loyalty and ownership in the company.

Measurement of Outcome

Employment Statutes helps and encourages all employees to achieve and maintain standards of conduct in accordance with Company policy, rules, and procedure, and to have the highest level of job performance.

Reduction of Sick Leave consumption

Code of Ethics sets the rules on how we behave toward others, and also governs our actions when performing our jobs.

Employees treat each other in a professional way, based on mutual respect, trust and individual dignity.

Higher employee productivity and morale amongst the employees which leads to retaining good people.

Increasing employees trust, accountability and compliance awareness.

Environment

Assessment policy and goals

GB Auto manages its operations in a continual improvement manner in order to protect the environment, prevent pollution, minimize environmental impact and comply with environmental laws and regulatory requirements where we operate.

GB Auto has taken the following commitments with regards to the health and safety legal requirements:

Reducing the occurrence of occupational injuries and diseases; continuous improvement of the performance of the safety management system and occupational health; minimizing levels of risk and dangers; maintaining a safe work environment for employees, visitors and customers and the surrounding areas of the facility; ongoing education and training necessary to improve the performance of employees and increase their awareness towards the dangers of their activities; increase the awareness regarding health and occupational safety policies through which the company implements a safety management system and occupational health and maintain the Company's property, the workflow and the implementation of the Company's health and safety policies.

Implementation

GB Auto contracted with the National Center for the Study of Occupational Safety and Health to improve environmental measurements: noise level; relative humidity; heat degree stress; the level of illumination intensity; radiation capacity affecting UV; magnetic flux density; overall mechanical vibration process; metal fumes and vapors; caustic soda spray; analysis of industrial wastewater; thawing organic vapors in all Company sites with the announcement of its results to all workers.

In order to minimize the impact of GB Auto's waste on the environment, we also contracted with a specialized company in the handling of hazardous materials/substance and waste (Eco Conserve Company for Environmental Services registered with the Ministry of Environment) to transport hazardous waste and bury them in the designated locations and we contracted with the Industrial Zone Municipality for removing the solid waste.

A Wastewater Discharge Management plan was put in place. Deployment of industrial wastewater unit where industrial wastewater is treated and the output is measured by the National Center for the Study of occupational safety and health on a regular basis in order to conform to the limits allowed by the Environmental Law.

In order to protect the environment and minimize pollution, GB Auto supports the deployment of modern machinery. The use of modern furnaces where fumes are compressed into the surface of the water consisting sludge material which is delivered to Eco Conserve which separate the fumes and bury them in the designated locations.

We have continued to apply the employees' mobility plan.

GB Auto maintains documented environmental records and procedures.

Measurement of Outcome

Achieve systematic control over the desired level of environmental performance.

GB Auto obtained ISO 14001 in quality.

The employees' mobility plan ensures the reduction of the carbon dioxide emission and our company now has 90 buses everyday commuting from different areas across the country.

Anti-Corruption

Assessment policy and goals

The success of GB Auto is based on the quality of our employees, our services and our products. We do not obtain any business advantage through bribery, improper payments or any other illegal means.

GB Auto supports the UNGC principles on anti-corruption. We work strongly against corruption in all its forms.

GB Auto has zero tolerance for corruption of any kind involving the company. The direct or indirect offer, payment, or acceptance of bribes in any form is strictly prohibited.

Implementation

There have been no incidents so far and staff is fully aware that they should talk to their line managers immediately in case there are causes of concern.

The CEO and staff are fully committed to following the principles of ethics in business and the principles that guide the Global Compact.

Measurement of outcomes

We have a system in place that encourage employees, clients and partners to report back if they suspect any wrongful doing in regards to our CSR guidelines and Code of Conduct. No incidents have been reported so far.

The Internal Audit Department within the organization inspect periodically on all Company's processes and operations.