

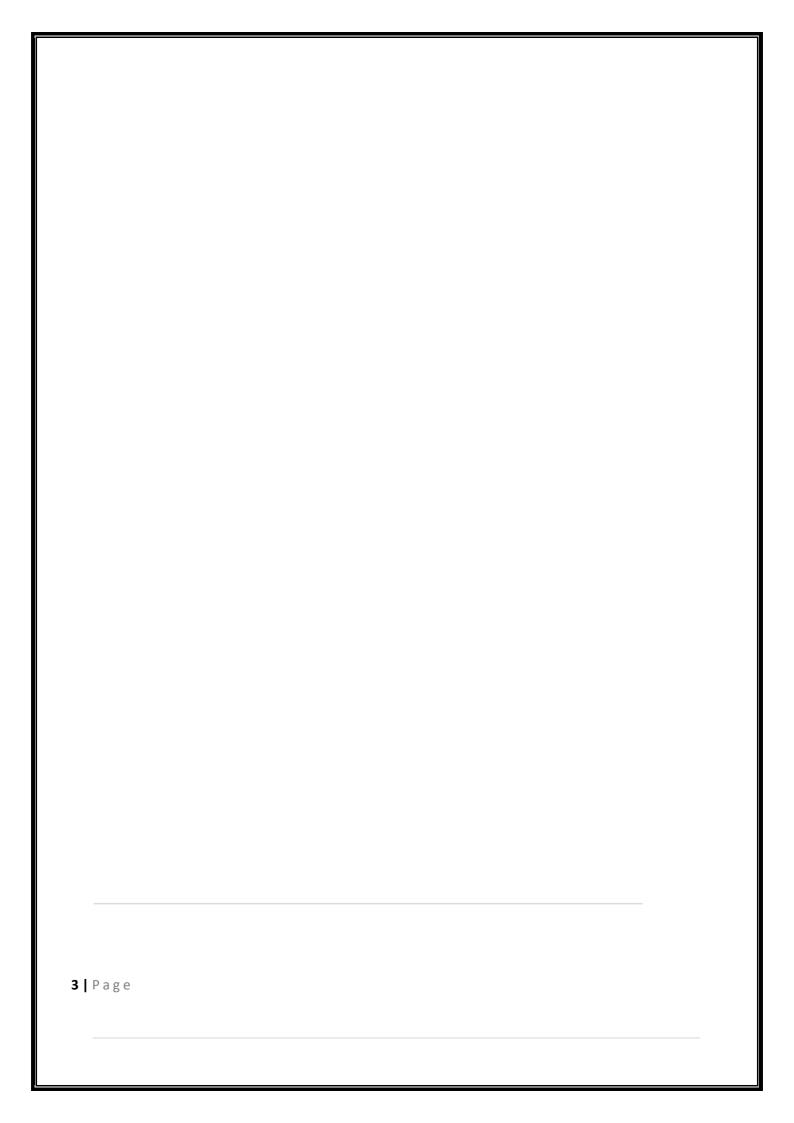
DAL MOTOR COMPANY LIMITED

United Nations Global Compact Communication on Progress Report

2015-2016

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2. DAL Motors Company Background

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

- Used car sales.
- Accessories, car entertainment systems, tyres and batteries represented by the global brands Bridgestone, Platen, Bosch and oil and lubricants.
- A network of fully equipped, well stocked service and parts workshops across the country.
- A mobile service and repair team.
- A high tech body repair shop.
- Corporate services including leasing and rental.
- A dedicated customer care team to follow up enquiries and provide after-sales support. Our unrivalled vehicle partnerships are built on delivering excellent to

both our partners and our customers. DAL Motors has one of the most developed and mature networks of service, parts and maintenance locations in the country. Fully equipped workshop facilities are strategically located alongside mobile service units offering the full range of support services, whatever the requirement. We have a centralized parts management operation which handles a massive volume of transactions every day ensuring all our workshops and branches are suitably equipped to operate.

3. DMC's UNGC Membership:

Participant since: 20/5/2009

Country: Sudan

Employees: 741

Organization Type: Company

Ownership: Private Company

Sector: Industrial Transportation

4. Statement for Continued Support for the UNGC Principles



Statement of Continued Support for the UNGC Principles

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

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

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

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

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

Yours Sincerely,

Brian Stevenson

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5. Report on Commitment and Implementation

Our Organizational Responsibility

Corporate social responsibility department of Dal Engineering division has been established since 2014, now the department is functioning for almost two years.

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

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

5.1 Human Rights Principles

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

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

Principle 1:

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

Principle 2:

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

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

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

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

Learning and Development Department

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

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

Employees' Performance Appraisal

In order to monitor and evaluate the performance of the employees, the performance appraisal reports are reviewed annually by the HR department and

monthly by the direct managers. Whenever the performance is due or over expectations the employees are rewarded. And wherever there is a lack of performance, we seek to enhance it through the L&D department and direct supervision.

Good Communication- Bridging the Gap

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

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

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

Essential part of employees' communication is the team building activities that play an important role in bridging the gap between different departments within the business unit. Especially, the DMC Football Tournament, where all department been gathered from all levels to play soccer in teams with the presence and participation of Dal Motors general manager.

Towards Community Activities

DAL Motors had also started a huge long-term program contribution, "The Road Safety Program" which aims to extent awareness and improve for the road safety concepts in the community in all levels. The CSR department kicked off with the sponsorship of the "Traffic Week "partnering with Traffic Authority since day one to contribute with DMC in delivering the safety message to the whole community, and the most important is to ensure the full engagement with them as a main stakeholder.

The program kicked off another initiative under the road safety program "The School Safety Project", the project target is to enhance the safety standards in the educational institutions across Sudan, starting from implementing a worldwide known safety standards such as, "school road signs", "crossing pedestrian lines" and present the lollipop man to community. This project is targeting more than 100 location across the country.



Figure 1: School Safety Project kickoff

5.2 Labour Principles

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

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

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

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

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

Dal Motors also celebrated the "Staff Appreciation Day", where all DMC staff been gathered at the showroom and they been rewarded for their valuable efforts.

Principle 3

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

Principle 4

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

Principle 5

Business should support the effective abolition of child labour.

Principle 6

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

5.3 Environment Principles

Our Commitment

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

This commitment has already produced significant! results especially with regards to material usage Business should support a reduction, energy consumption, greenhouse gas emissions and reduction, packaging reduction

among other areas demonstrating our ongoing commitment to improving the sustainability of

our operations. Moreover, considerable cost reductions have been made; to prove that environment conservation will always have a

business case.

Principle7

precautionary approach to environmental challenges.

Principle8

Business should undertake initiatives to promote greater environmental responsibility.

Principle9

Encourage the development and diffusion of environmentally friendly technologies.

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

DAL Motors in 2015 represented the environmental responsibility in a different approach, sponsored a recycling festival named "Trash Secrets" with a number of active organizations in the environment in Sudan, and presented a wide range of

new interesting methods and ideas for recycling our earth valuable resources and promoting for behavioral change regarding our country treasures.

DAL Motors also is expanded our environmental initiatives with KIA Motors "GO Green" projects, working closely with KIA brand to improve our environmental performance

5.4 Anti-Corruption Principle

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

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

Principle 10

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

6. Availability of This COP

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

7. Focal Person Contacts

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