

COMMUNICATION ON PROGRESS For the United Nations Global Compact

Union Properties

31 October 2016

الإتحاد العقارية

His Excellency Ban Ki-moon Secretary-General United Nations New York, NY 10017 United States of America

Dear Mr. Secretary-General,

I am pleased to confirm that Union Properties reaffirms its support of the Ten principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

We will continue to describe our actions and improve integration of the Global Compact and its principles into our business strategy.

We really appreciate the ongoing support of all our customers without which it would not be possible to continue to serve you well into the future.

We also commit to sharing this information with our stakeholders.

Sincerely yours,

Abmad Al Marri General Manager of Union Properties

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COMMUNICATION ON PROGRESS Issue area – Human Rights

Policy	Actions	Measurable outcome
Human Rights	 Upon joining the company all new starters are required to adhere the code of ethics. All staff are committed to identify, prevent and mitigate any possible human rights impacts which may arise from our business activities. Employees receive training on human rights issues so that their workplace is free from all discriminations and harassment. Reporting procedures have been established in the event that an employee believes human rights have been violated. 	Healthy Environment and no human rights violations or reportings.



COMMUNICATION ON PROGRESS Issue area – Human Rights

Policy	Actions	Measurable outcome
Human Rights	 The company recognizes its impact on the communities in which it operates. Ensures ongoing discussions with key stakeholders and the general public to ensure that minimal negative impact occurs as a result of key projects. 	 Degree of satisfaction amongst local stakeholders who will have experienced the impact of our operations. Building confidence between our company staff and the ultimate stakeholders.



COMMUNICATION ON PROGRESS Issue area – Human Rights

Policy	Actions	Measurable outcome
Human Rights	 The company provides a healthy and safe workplace which complies with legal regulations and internal requirements. Identification of hazards and remediation of health and safety issues is constantly being investigated and any potential hazards that are identified are rectified immediately. 	 Monitoring of exceptions which are non complied relevant rules and regulations.



Issue area – Labour

Policy	Actions	Measurable outcome
Labour	• Regular announcements and updates are sent to all employees regarding human rights issues as well as the business plan and company position.	• Employees are fully aware of the current position of the company and our updated internal policies.



Issue area – Labour

Policy	Actions	Measurable outcome
Labour	 Bi-annual performance review is held with all employees to ensure standards are being met and to identify future improvement and development of staff. The company abides by the UN Global Compact principle 5 whereby we prohibit the hiring of individuals that are under the age of 18 years old for positions in which hazardous work is required. 	 Satisfied Staff who recognize that there are future career enhancing opportunities within the company. Passports are checked prior to employment hiring to verify age and identity.



Issue area – Labour

Policy	Actions	Measurable outcome
Labour	 The company compensates employees relative to the industry standard and sector. The company operates strictly within the local labour laws terms and conditions with regards to wages and work hours and staff benefits. 	 Salaries paid on time. Benefits paid based on each employee performance and grade. Low turnover in terms of staff numbers which leads to stability within the company.



Policy	Actions	Measurable outcome
Environment	 Create, plan and maintain healthy green communities. Monitor all facets of utility supply including temperature reduction, soil erosion, air quality, leak detection,etc. Install and maintain water saving and recycling facilities in order to achieve the environmental benefits. To further ensure and develop increase farming productivity we are putting in place systems to ensure watershed and natural resource management is harnessed in such a way that plants and trees preserve the fertility of agricultural land. 	 Measure existing traditional methods against the new initiatives we are putting in place in our new developments.



Policy	Actions	Measurable outcome
Environment	 Adapt light and water heating systems to solar power as apposed to fossil fuel resources in our communities. Improve quality of sewage and waste of water disposal through dedicated sewage treatment plants including the option of recycling waste water. 	 Conservation and saving of energy. Reduced cost of power consumption. Ultimate benefit to the end user. More hygienic environment and less reliance on fossil fuel consumption. Measure positive impact of new environmental initiatives.



Policy	Actions	Measurable outcome
Environment	 Provide the recycle bins to the communities to ensure that household waste is disposed of the correct manner to avoid contamination of the surrounding environment. Promote the Clean Up the World Campaign in our communities. 	 Monitor waste reduction. Measure effectiveness of recycling initiatives. Gauge the feedback on the Clean Up the World campaign.



Policy	Actions	Measurable outcome
Environment	 We extend the use of our facility to further enhance the betterment of the community and regularly hold charity events. 	 Percentage of our success ratio in attracting both business and charity events back to our venue which helps create a sustainable relationship with both our customers and the general public.



Issue area – Anti-Corruption

Policy	Actions	Measurable outcome
Anti-Corruption	 We have an initiative to monitor the community that can contribute to the detection of corruption and potential reduction of the leakage of funds which will also improve the quantity and quality of the services provided. Ensure robust anti-corruption measures and practices are in place to protect the company reputation and the interests of our stakeholders. (Risk assessment, reporting and supply chain practices) A ongoing system is in place focusing on improving financial management, such as disclosure of budget information, which prevents waste and misappropriation of resources. Studying the current smart government which would transform all the governmental authorities into e-services this would give us additional protection against the treat of petty corruption. 	 Measurement of the accuracy of financial reports and compliance. Continuing to identify gaps between legislation and internal audit regulations. Measure accountability and transparency.



Issue area – Anti-corruption

Policy	Actions	Measurable outcome
Anti-Corruption	 We have and continue to strive to deliver a sustainable strategy for all our business projects ensuring we work with all clients to deliver responsible, safe, effective, social, educational and ethical partnerships. Limit our liability by ensuring we adhere to all rules and regulations that are required at a legislative level. 	 Measured by the return on investment and continued repeat business. Retention of customers and positive customer feedback is key measurement. No non conformance issues with regulatory authorities.



COMMUNICATION ON PROGRESS Issue area – Anti-corruption

Policy	Actions	Measurable outcome
Anti-Corruption	 We have adopted an international Risk Management Framework which is COSO Enterprise Risk Management (ERM) Framework– 2004. It helps to ensure that all the risks related to human rights, fraud, corruption, security breach, system objectives, etc. are identified assessed and addressed if needed as per internationally recognized standards. ERM assists us to ensure that objectives and goals of Union Properties, including those linked with UNGC are achieved by continuously monitoring the hindrances and risks associated with those objectives and addressing them with effective, efficient and timely mitigation plans. 	 This measure results in robust planning, strategy setting and more focus on achieving the objectives. We consider the measures taken, and reduce the level of risks as per our Risk Appetite statements.



COMMUNICATION ON PROGRESS Issue area – Anti-corruption

Policy	Actions	Measurable outcome
Anti-Corruption	• All departments are audited internally, and externally by the Dubai Government Audit Control every year to ensure compliance.	 Any shortcomings will be rectified.
	 All employees are vetted by the National Security Department prior to employment being confirmed. 	 Any employee who fail in the vetting process aren't offered employment in order to ensure competent employees are hired.



Thank You