

Joannou & Paraskevaides (Overseas) Limited

UN Global Compact Communication on Progress No. 2

February 2017 – February 2018

INTRODUCTION

Published : **2018/02/28**
Time period : **February 2017 – February 2018**
Format : **Stand alone document - COP template**
Differentiation Level : **Global Compact Active level**

Self-assessment :

- Includes a CEO statement of continued support for the UN Global Compact and its ten principles
- Description of actions or relevant policies related to Human Rights
- Description of actions or relevant policies related to Labour
- Description of actions or relevant policies related to Environment
- Description of actions or relevant policies related to Anti-Corruption
- Includes a measurement of outcomes

STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER

- *Statement of the company's chief executive (CEO or equivalent) expressing continued support for the Global Compact and renewing the company's ongoing commitment to the initiative and its principles.*

To our stakeholders:

I am pleased to confirm that Joannou & Paraskevaides (Overseas) Ltd reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption and our commitment towards achieving the Global Compact Advanced Status.

In this annual Communication on Progress, we describe our actions to improve continually the integration of the Global Compact and its Principles into our business strategy, culture and daily operations and emphasise our commitment towards social accountability and the advancement of the broader development goals of the United Nations under the Global Compact initiative.

We also commit to sharing the above information with our stakeholders, and the public at large, using our primary channels of communication such as our company website, monthly reports submitted to employers for all projects and our office and work site notice boards located throughout the J&P Group's areas of operations.

Yours sincerely,
G.C. Christofides
CEO

Joannou & Paraskevaides (Overseas) Ltd

HUMAN RIGHTS

- *Assessment, policy and goals*
- *Description of the relevance of human rights for the company (i.e. human rights risk-assessment).
Description of policies, public commitments and company goals on Human Rights.*

Under our certified by Lloyds Register Quality Assurance (LRQA) Integrated Management System complying with the requirements of ISO 9001, ISO 14001 and OSHAS 18001, and part of our continual improvement process, we implement throughout our Group a series of specific Human Resources Procedures which these include our commitment to Principles 1 and 2 of the UN Global Compact and are in line with the Universal Declaration of Human Rights.

- *Implementation*
- *Description of concrete actions to implement Human Rights policies, address Human Rights risks and respond to Human Rights violations.*

Our 'Employee Relations' procedure issued for use in April 2016 as part of our above noted effort to continually improve, details how we protect workers from workplace harassment, including physical, verbal, sexual or psychological harassment, abuse or threats and provides them with a grievance mechanism should they ever feel that they are subject to such abuse.

- *Measurement of outcomes*
- *Description of how the company monitors and evaluates performance.*

Under our HR Procedure 'Exit Management', the Company may terminate the employment of any employee with immediate effect if the Employee "Carries out acts of incitement or actual acts of discrimination or harassment on the grounds of gender, sexual orientation, marital status, age, race, colour, nationality, ethnic origin, religion or disability".

We evaluate and audit all subcontractors and suppliers against a set of defined principles, policies and guidelines. Any contravention of human rights is recorded and corrective actions requested, any continued contravention results in termination of the contract agreement.

During the reporting period of this Communication on Progress (COP), we are pleased to report that no rulings or fines have been lodged against our Company for any events related to human rights violations and there were no investigations or legal cases. In addition we are equally pleased to report that no employee has been terminated as a result of discriminating against or harassing a fellow employee.

LABOUR

- *Assessment, policy and goals*
- *Description of the relevance of labour rights for the company (i.e. labour rights-related risks and opportunities). Description of written policies, public commitments and company goals on labour rights.*

Throughout its areas of operations, the Company endeavours to foster safe and respectful workplaces and implements workplace policies and practices that include commitments to non-discrimination and freedom from harassment, and expressly requires that:

- All employees are treated with dignity and respect;
- All employees are entitled to fair and consistent application of policy, processes and procedures;
- The Company, together with its employees, create an environment in which people have a meaningful say in decisions that affect them;
- The Company keeps itself abreast of all relevant legislation and ensures that employees have access to this information;
- All employees are subject equally to the Company's disciplinary and grievance procedures, but at the same time the Company recognises that disciplinary measures should be corrective rather than punitive.

J&P is committed to the fundamentals outlined by the International Labour Organisation and upholding and acting always in accordance with Principles 3, 4, 5 and 6 of the UN Global Compact.

J&P expects the same commitment from our supply-chain and consulting associates and we implement this commitment through a dedicated compliance program that communicates expectations to our associates and partners, monitors working conditions, implements facility improvement plans where necessary, and engages with stakeholders.

The establishment of Workers' Welfare Forums is actively pursued within the J&P Group since such forums facilitate workers, through elected Worker Representatives (WRs), to raise matters of concern on any issue without fear of retaliation. J&P management encourages all nationalities to nominate WRs. The election process and the roles and responsibilities of WRs are documented in a formal J&P HR Procedure.

- *Implementation*
- *Description of concrete actions taken by the company to implement labour policies, address labour risks and respond to labour violations.*

During the mandatory induction and orientation of all employees, the Company Integrated Management System Policy is detailed and issues of labour rights and grievance mechanisms are explained. Members of staff are provided with an Employee Handbook, suitable for distribution to all categories and grades of employees, giving a summary of the Company's Departments and Processes including the HR and Operations Department.

It is the Policy of J&P that within all areas of operations workers are provided safe, suitable and sanitary work facilities both within site offices and the work site, and the necessary site welfare and rest facilities if required due the timings of work shifts.

On projects where we are responsible for the Construction Design Management, we take all necessary measures to eliminate materials and designs that could harm or threaten human life and health during usage. In addition, on construct only projects, when selecting materials for employer approval, we ensure that these will not have any side-effects that could harm or threaten human life and health during manufacturing, usage or disposal.

Our continued commitment towards social responsibility and implementing worker welfare is further displayed by our active participation in committees, such as the Social Responsibility Committee at the Al Maktoum International Airport where J&P has been engaged on a major project. We believe that our participation in such important forums assists our Organisation with improving the management of welfare.

- *Measurement of outcomes*
- *Description of how the company monitors and evaluates performance.*

During this COP reporting period, our operations in UAE, Qatar, KSA, Oman and Cyprus have been audited on a number of occasions by employers or employer's representatives and by LRQA. The findings of all these audits with respect to our employment and treatment of workers were found to be satisfactory to excellent - issues such as recruitment, welfare and human rights were examined in detail and measures were taken immediately to correct any deficiencies noted.

As an example of our commitment towards ethical recruitment and implementing the highest standards of worker welfare, and our concerted efforts to improve continually our performance in these areas and take action to address any deficiencies, we would like to highlight the following audit results from our operations in Qatar:

- A second party audit of our Ethical Recruitment practices in January 2018 resulted in an overall mark of almost eighty percent, but when audited in February 2019 the overall mark rose to just over ninety nine percent.
- An inspection of Worker Accommodation in November 2017 by a second party resulted in an overall mark of just under seventy six percent, but when this facility was inspected in February 2019 the overall mark rose to over ninety eight percent.
- The outcome of a second party inspection of construction site welfare in January 2018 resulted in an overall mark of just over ninety eight percent.

ENVIRONMENT

- *Assessment, policy and goals*
- *Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities). Description of policies, public commitments and company goals on environmental protection.*

Under our established and certified by LRQA Integrated Management System for Quality, Environment, Safety, and Health (QESH IMS), we have in place, implement and maintain, procedures and processes complying with the requirements of ISO 14001 for the management of environmental issues including sustainability and energy conservation. Our Company Policy Statement underlines our objectives and targets towards our environmental and sustainability commitments and these include:

- Conformance to Environmental, standards;
- Compliance with all relevant regulations, codes of practice and legislative requirements;
- Minimise the production and maximise the re-use and recycling of all discarded materials;
- Identifying and attempting to reduce, as much as feasibly possible, any environmental impacts.

The commitment of J&P towards meeting environmental objectives has been proven by our track record to date on all projects undertaken and in particular on projects in which specific employer GSAS and LEED requirements were not only satisfied, but as per our Policy we targeted to exceed these requirements.

In line with ISO 14001, we implement throughout the J&P Group an Environmental Management System (EMS) which is documented in our EMS Manual the details of which cover also our commitment to Principles 7, 8 and 9 of the United Nations Global Compact.

- *Implementation*
- *Description of concrete actions to implement environmental policies, address environmental risks and respond to environmental incidents.*

In addition to our Group Wide EMS Manual, for each and every project, we prepare a specific Health, Safety and Environmental (HSE) Plan and require any suppliers or subcontractors that we employ on projects to strictly follow the approved HSE Plan. Environmental Management Plans are drafted as standalone project documents or are included as integral parts of project comprehensive HSE Plans.

In order to fully implement our EMS we have a structured organisation with identified and delegated environmental responsibilities. We ensure that on every project we have the available resources which are required to establish, implement, maintain and improve the environmental management system. These resources include human resources and specialized skills, organisational infrastructure, technology and financial resources.

The re-use of materials, recycling and segregation are actively practised on all projects and offices within the J&P Group. The disposal of any hazardous waste is assigned to certified and licenced companies.

- *Measurement of outcomes*
- *Description of how the company monitors and evaluates environmental performance.*

Our environmental engineers and officers maintain monthly environmental records and the key elements of this monthly recording are reported in a monthly project dashboard available for review by the senior management of each Project and the J&P Group.

During the reporting period, the incidence of major environmental incidents (scale three to five) within the J&P Group was zero, and all Entities within the Group successfully met our key performance indicator of less than one minor incident per month.

Prior to the commencement and during the execution of every project, Environment Assessments on all aspects that could conceivably adversely affect the environment are carried out. In addition, Emergency Response Plans are developed for environmental emergency situations in accordance with J&P's procedure 'Emergency Plans'. In order for employees to be fully prepared for any environmental emergencies, J&P undertakes periodically environmental drills depending on the type of activity involved on each project.

As per our certified Integrated Management System, every six (6) months the J&P Group is audited for environmental management implementation by our accredited certifying body LRQA. The audits are performed throughout the Group in all areas of operations with the locations audited being selected on a sample basis. In addition, on every project we conduct scheduled internal environmental audits and our projects are audited for environmental management by the employer's representatives.

During the reporting year for this COP, certificate renewal for environmental compliance in accordance with ISO 14001 has been recommended by LRQA for every Entity included under J&P's Group Integrated Management System Certification. The outcomes of all internal and second party audits have been fairly good to excellent, with percentage compliance ranging from just over sixty percent to over eighty percent with many good practices noted. Our aim is to achieve one hundred percent compliance throughout the Group.

ANTI-CORRUPTION

- *Assessment, policy and goals*
- *Description of the relevance of anti-corruption for the company (i.e. anti-corruption risk-assessment). Description of policies, public commitments and company goals on anti-corruption.*

Our Company works against all forms of corruption, including extortion and bribery and as such is committed to upholding Principle 10 of the United Nations Global Compact.

- *Implementation*
- *Description of concrete actions to implement anti-corruption policies, address anti-corruption risks and respond to incidents.*

Under our HR procedure 'Employee Relations', details regarding conflicts of interest are provided explaining that for Company Integrity, employees are strictly prohibited from making or approving any direct or indirect payments that may be interpreted as bribes or 'kickbacks' to any government officials, employees of any employer or any other individual or entity. Our policy with respect to professional ethics is underlined also in our 'Office Rules and Policies' documents issued for every Main Office within the J&P Group.

Under our HR procedure 'Employee Relations', employees are provided with a grievance mechanism including suggestion boxes and are assured of the strict confidentiality with which each case is examined or incident investigated, and this mechanism allows for the confidential disclosure of any incidents of corruption or bribery which an employee may be aware of.

- *Measurement of outcomes*
- *Description of how the company monitors and evaluates anti-corruption performance.*

Under our HR Procedure 120.6 'Exit Management', the Company may terminate the employment of any employee with immediate effect if the Employee "Commits fraud, theft, deception or dishonesty, including obtaining or attempting to obtain financial advantage at the expense of the Company, dishonest appropriation of Company's property, misrepresentation of personal employee details, manipulation, falsification or alteration of records and documents belonging to the Company, suppression or omission of the effects of transactions from records or documents, and failure to report suspicions of money laundering promptly".

During the reporting year for this COP, no incidents of corruption were noted or investigated.