

## COMMUNICATION ON PROGRESS (COP)

Period covered by your Communication on Progress (COP)

From: 7 August 2017      To: 7 August 2018

[January 2, 2019]

To our stakeholders:

I am pleased to confirm that Hamra Shopping and Trading Co reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication. Sincerely yours,

[ Mr. Jamil Rayess ]

[ General Manager ]

## **1. DESCRIPTION OF ACTIONS**

### **Human Rights**

#### **A Helping Hand:**

HST Co. completed an extensive renovation project at the Lebanese School for The Blind and Deaf in September. The community project, which took six months to complete, included a full overhaul of a department for special needs children at the school. A team of GS employees led the effort, working alongside contractors to revamp the space including three classrooms and adjoining playground.

#### **GS and timberland embrace the true meaning of Christmas:**

During the festive season, four families felt the true spirit of Christmas. Teaming up with Bassma, an NGO that helps underprivileged families reach self-sufficiency, GS and Timberland brought smiles to the faces of those that need it the most by spreading holiday cheer.

Across a period of two days, the team shared joyful moments and made memories with the families, bringing happiness into their homes. By being able to share their stories, they felt supported in their struggles and were thankful for the helping hand. A truly humbling experience, GS and Timberland were able to lift the burden off the shoulders of the parents and enjoy an afternoon of festivities.

This initiative aims at encouraging others to support the less fortunate, be it during the holiday season and all year round.

## **LABOUR**

Ensure that the company does not participate in any form of forced or bonded labour  
Each recruited candidate signs an offer letter and a job description determining all employment conditions. Termination of employment (or separation) follow rules and regulations of the Lebanese labor law.

Working hours, leaves and breaks follow same law and regulations.

Comply with minimum wage standards

Our set salary scale for all positions is benchmarked with the market and abides by all legislations of the Lebanese labor law and ministry of labor regulations.

Ensure that employment-related decisions are based on relevant and objective criteria

The recruitment process starts with a set of interviews (up to three, depending on the position) followed by a three-day trial in the related department/store, upon which an evaluation is filled out by the concerned manager and submitted to HR department for final confirmation.

## **ENVIRONMENT**

### **Give your Shoes a second chance with Timberland**

As part of Timberland's continuous mission to give back to the environment, the brand launched the "Give your Shoes a Second Chance" initiative.

Activated on June 5, World Environment Day, the mission aimed at creating a mechanism to reuse and recycle shoes. Customers were encouraged to bring an old pair of shoes from any brand to a Timberland store and in turn benefit from great discounts on a new pair.

All the shoes gathered were then donated to those in need.

## **Anti-Corruption**

- Assess the risk of corruption when doing business  
HST follows an internal disciplinary action matrix implemented in all stores and departments to avoid subjective decisions and exaggerated actions. The structure of the company and the hierarchy implies a proper reporting system which prevents any corruption or indecent actions.
- Mention “anti-corruption” and/or “ethical behavior” in contracts with business partners  
All employees sign a code of conduct they adhere to. Integrity is our main value and one of our basic required competency with all stakeholders.
- Ensure that internal procedures support the company’s anti-corruption commitment  
HST employees follow rules and regulations to the extreme, and the company has built a strong culture based on integrity.

## **2. MEASUREMENT OF OUTCOMES**

- ❓ Demographics of management and employees broken down by diversity factors (e.g., gender, ethnicity, age, etc.) we recruit employees of all religions, ages and sexes with no discrimination or preference (58% males – 42% females)
- ❓ Rate of occupational diseases, injuries, and absenteeism - HST ensures a healthy and safe workplace for all employees through continuous inspection and compliance with health and safety standards in all stores, departments and warehouse.
- ❓ Percentage of recycled materials – recycling papers, using led lights, collecting bottle caps