



OMAN ENVIRONMENTAL SERVICES COMPANY S.A.O.C.

Communication on Progress
Jan 2019-Jan 2020

www.beah.om

STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER

To our stakeholders:

I am pleased to confirm that the Oman Environmental Services Holding Company, *be'ah*, reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption.

be'ah's corporate and cultural values reflect its commitment to corporate sustainability and we vow to acquire best practices and deliver in areas of Human Rights, Labor, 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,

Eng. Tariq Ali Al Amri
Chief Executive Officer



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

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The following report is a short overview regarding the mentioned topics that are relevant to the United National Global Compact. For more information about the company and data regarding the operations, refer to be'ah's Progress Report: <https://www.beah.om/Knowledge-Center/Report>

Human Rights

Principles

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Implementation

be'ah is committed to providing a comfortable, safe and healthy work environment. This can be demonstrated throughout be'ah by implementing strategies to protect our staff, raise awareness about their rights and making sure all of our staff are aware of be'ah's commitment to having a healthy and safe working environment. To ensure workers are provided safe, suitable and sanitary work facilities, we implemented the following:

- Environmental Control Mechanism of Air Conditioning, Ventilation, and Lighting to configure safe work environment
- Offices are equipped with fire alarm and fire protection systems
- Providing safety (instruction boards), emergency exits & assembly point signs
- Conducting continuous and periodic HSE induction/awareness to staff
- QHSE Policy & Evacuation Maps are installed throughout the main building, as well as other facilities
- Provide Personal Protection Equipment (PPE) to ensure protection of staff at all times.
- Provision of first aid kits and fire extinguishers on each floor
- Train staff in each floor on fire safety and first aid
- Organizing “HSE Week” in late 2019 for all employees to raise awareness. This included:
 - Multiple general HSE awareness sessions
 - Insurance information session
 - HSE quiz and competition
 - Tree planting
- Regular HSE inspection at be'ah's main building and facilities
- In order to maintain international standards in managing QHSE requirements, be'ah converted all its documentation utilizing the ISO 45001 framework for all operations
 - Awareness sessions for ISO 9001, ISO 45001 and ISO 14001
 - Training employees on the transition into the ISO 45001 format
- Initiated indoor air quality monitoring at be'ah's main building measuring PM 2.5 particulates to ensure adequate air quality with reference to World Health Organization (WHO) standards.
 - Early readings have shown adequate air quality
 - Average concentration readings came around 8.8 $\mu\text{g}/\text{m}^3$, below the maximum daily average limit of 10 $\mu\text{g}/\text{m}^3$ as per the WHO standard
 - We will continue to monitor air quality and make adjustments as needed

Due to be'ah's nature of work, there are no measurement taken to eliminate ingredients, designs, defects or side effects that could threaten human life and health during manufacturing, usage or disposal of

products, as there are no products being designed or produced by the company. The QHSE policy, procedures, and guidelines have been provided with the mechanism of risk assessment and control. In addition, HSE plans are prepared and constantly reviewed by the HSE team; inspections and trainings are conducted in order to sustain quality & safety of operations.

be'ah is committed to protect workers from workplace harassment. Harassment of any kind is strictly prohibited by the Oman Labor Law issued by the Ministry of Manpower. be'ah's HR Policy fully reflects the same laws for its employees and ensures the prevention of any harassment-related issues in the office. All employees have the right to access all external and internal laws and regulations documents. We continuously organize educational sessions to update any changes in manuals and laws to raise awareness among employees.

We have formulated an effective grievance procedure for submitting such complaints through which any flagged incidents will be handled as follows:

- Internal disciplinary hearing
- Labor Court
- Civil Court
- Police complaints

Measurement of Outcomes

be'ah has not been involved in any legal cases, rulings or other events related to human rights abuses

Labor

Principles

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labor;

Principle 5: the effective abolition of child labor; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Implementation

As part of the government's endeavors towards the improvement of its workforce, Oman introduced an enhanced Labor Law in 2012 to regulate the employment relationship for employees at all sectors. The Labor Law provides a balanced relationship between employers and employees, while laying stringent conditions for the timely payment of wages, mandatory leaves, and protection against unfair termination, medical insurance and workers compensation on one hand, and regulating employees' Code of Conduct on the other hand. be'ah in principle doesn't encourage any kind of bonded labor as it is fully complied with the law which stipulates the minimum provision in the employment contracts. We proudly state that all employment related administration, actions, decisions are governed with the HR Policy & Procedure Manuals, Manual of Authority and Oman Labor Law. We have integrated the Ministry of Manpower decision number 222/2013 regarding the minimum wage standards while designing our grading structure and benefits. We confirmed that entry-level position wages at be'ah are above the minimum wages set by the above decision. Similarly, we ensure that all new employees are within the approved salary and grading structure and that these figures are consistent between both genders as per the Labor Law of the country.

Measurement of Outcomes

be'ah has not been involved in any legal cases, rulings or other events related to forced and compulsory labor, child labor or discrimination.

Environment

Principles

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Implementation

Environmental Protection System: solid waste systems

To avoid environmental damage, we implemented the following:

- Policies and progressive legislations (internal and external) to ensure effective implementation by educating stakeholders regarding environmental impacts and monitoring compliance
- Develop, cascade and monitor goals and key metrics for reporting sections
- Plan and lead initiatives to promote awareness, at all levels in be'ah, of the impact of emerging environmental concerns or issues that could arise from various waste management processes, and their implications on be'ah and to ensure their effective communication
- Follow up on performance of contractors in be'ah's various waste management operations and validate the quality of their work through site visits, monthly reporting and reviewing of their operation

Emergency Procedures

Building an HSE culture inside be'ah's offices, service facilities and sites have always been a top priority for be'ah and its stakeholders and contractors. After conducting a study, the team has noticed inadequate awareness of QHSE among be'ah employees, as a result, the year 2017 marked the start of the HSE's emergency mock drills and awareness campaigns. Now, the HSE department conducts emergency mock drills for employees on a regular basis. These emergency mock drills allow opportunities for improvement in be'ah's ability to respond to emergencies by having the employees provide feedback at the end of each drill.

Leachate and Gas Collection in our Landfills

Through our operations, leachate is produced at our landfills and these go through a procedure to ensure none of it seeps into the ground and affect nearby ecosystems and groundwater. Leachate ponds are set up for evaporation and the remaining residues are then landfilled. This process also ensures that our liners are not damaged and can protect the soil underneath. In Al Multaqa landfill, a leachate treatment plant has been set up to fully filter the leachate and output clear water that is then utilized for landscaping and vehicle sanitation purposes on-site.

This year, be'ah has also started testing gas collection systems that are produced from MSW landfills that have reached maturity. In Al Multaqa landfill, the first trial for gas extraction wells commenced and the company will test their effectiveness and assess their feasibility to be implemented in our other landfills.

Measurement of Outcomes

be'ah has not been involved in any rulings related to environmental lawsuits in the past year.

Anti-Corruption

Principles

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Implementation

Upon joining, new employees are required to review and sign the Code of Conduct, which includes the following:

- Declaration
- Anti-bribery Clause
- Conflict of Interest Clause

A dedicated Risk Management team is responsible for assessing corporate and operational risks:

- Corporate Risk Management
- Operational Risk Management

Part of the Corporate Risk Management is assessing Fraud Risk where we assess the Fraud Triangle and the components of fraud (like asset misappropriation, conflict of interests, corruption, bribery and identity theft etc.) and we highlight any Fraud Indicators. The following was set in order to ensure ethical behavior in contracts with business partners:

- Developed be'ah Tender policies that are based on fairness & transparency
- Adhering to Tendering Policies and Procedures Manual

Also, to ensure that internal procedures support the company's anti-corruption commitment, the following was established:

1. The Code of Ethics in be'ah has been developed according to international standards and it is matching the code of ethics criteria in the organization of the Internal Auditor (IIA)
2. Three lines of defense (process owners, Risk Management section and Internal Audit department) are in place to ensure the implementation of the internal controls
3. be'ah houses a comprehensive Governance Risk & Compliance (GRC) body which includes the Internal Audit department, Compliance function, Risk Management and Legal department. This ensures be'ah is adhering to international standards, public regulation and the internal policies and procedures
4. In 2019, be'ah launched the be'ah Risk Leaders. This committee is a multidisciplinary team comprised of employees from various departments of the organization and is tasked with:
 - Supporting the identification, management and reporting of risk within their area of responsibility (e.g. division/department)
 - Updating and overseeing the management of risk register(s) for their area of responsibility
 - Providing risk management updates and support to Risk Owners

- Supporting executives/managers with regards to risk identification, recording, escalation and management of risk
- Monitoring and providing follow-ups on risk treatment activities and reporting
- Regularly discussing questions, concerns, opportunities for improvement and training gaps with the RM Section
- Attending and contributing to monthly Risk Leader meetings together with the ERM Section
- Ensuring providing required information to the Risk Section
- Reporting the incidents through Risk Incident Management System

Finally, the Quality, Health, Safety and Environment department (QHSE) has implemented this year the ISO certification for all functions in all departments (Risk Management is part of it) and quality control for all be'ah's departments.

Measurement of Outcomes

be'ah has never involved in any legal cases, rulings or other events related to corruption in all its forms.

Measurement of Outcomes

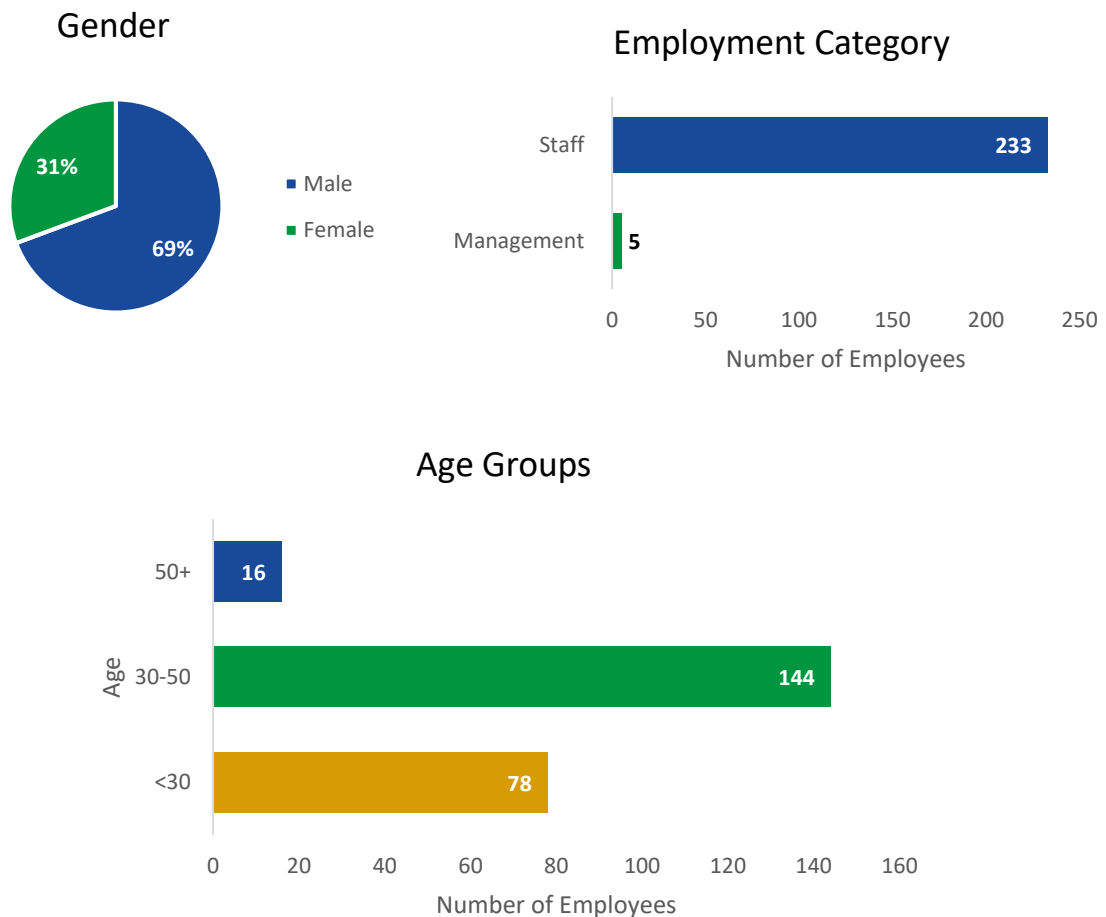
Demographics

be'ah treats all applicants with equal opportunities of employment regardless of their age, sex, marital status, pregnancy, family status, disability, race, nationality or religion (provided that these do not impede the abilities of the prospective appointees to carry out normal job duties or affect the health and safety of fellow employees).

Full-time Employees Demographics:

December 2019,

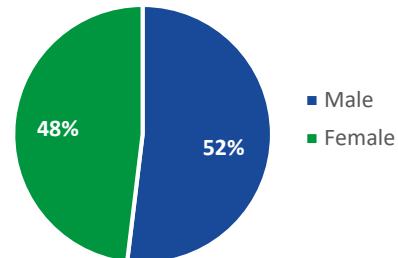
238 employees



Short-term Contract Employees Demographics:

December 2019,

52 employees



Rate of Occupational Diseases, Injuries and Absenteeism

Occupational diseases, injuries and absenteeism surveillance involves the systematic monitoring of health events in be'ah in order to prevent and control occupational hazards and their associated diseases, injuries and absenteeism. The following are measurements taken to prevent and control occupational hazards:

- Run regular HSE inspection and audit
- Employee HSE training
- Availability of annual medical examination
- Vaccinations according to the nature of work
- Incident reporting and investigation mechanism
- Monthly HSE statistic report (to report and record all types of injuries, injury rate (IR), occupational diseases rate (ODR), lost day rate (LDR), absentee rate (AR) and work-

related fatalities for independent contractors working on-site to whom the organization is liable for the general safety of the working environment

HSE Statistic Report												
Sr.No.	Description	2015										
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
1	Total nos. of Staff	90	100	101	105	107	110	112	118	118	124	128
2	Total sick leave	3	3	12	13	15	4	5	8	26	18	6
3	*Number of working days	20	23	22	22	22	18	22	19	20	22	20
4	Cumulative of Operating Days from February 2015 up to date	20	43	65	87	109	127	149	168	188	210	230
5	Total Safe working hours	14400	18400	17776	18480	18832	15840	19712	17936	18880	21824	20480
6	Cumulative total Safe working hours		32800	50576	69056	87888	103728	123440	141376	160256	182080	202560
7	Number of LTI (Lost Time Injury)	0	0	0	0	0	0	0	0	0	0	0
8	Number of Accident	0	1	0	0	0	0	0	0	0	0	1
9	Number of Near Miss Reported	0	0	0	0	0	0	0	0	0	0	0

Figure 1. HSE Statistic Report for year 2015

Sr.No.	Description	2016											
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	Total nos. of Staff	129	132	137	139	140	144	143	144	146	147	143	144
2	Total sick leave	23	21	22	11	29	38	14	37	5	18	28	40
3	*Number of working days	21	21	23	20	23	19	20	23	16	22	20	20
4	Cumulative of Operating Days from February 2015 up to date	251	272	295	315	338	357	377	400	416	438	458	478
5	Total Safe working hours	21672	22176	25208	22240	25760	21888	22880	26496	18688	25872	22880	23040
6	Cumulative total Safe working hours	224232	246408	271616	293856	319616	341504	364384	390880	409568	435440	458320	481360
7	Number of LTI (Lost Time Injury)	0	0	0	0	0	0	0	0	0	0	0	0
8	Number of Accident	0	0	1	0	0	0	0	0	0	0	0	0
9	Number of Near Miss Reported	0	0	0	0	0	0	0	0	0	0	0	0

Figure 2. HSE Statistic Report year 2016

Sr.No.	Description	2017											
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	Total nos. of Staff	146	149	151	156	159	164	165	167	168	171	173	173
2	Total sick leave	9	8	17	28	42	9	16	13	14	20	26	14
3	*Number of working days	23	20	22	20	23	16	21	22	19	24	22	21
4	Cumulative of Operating Days from February 2015 up to date	501	521	543	563	586	602	623	645	664	688	710	731
5	Total Safe working hours	26864	23840	26576	24960	29256	20992	27720	29392	25536	26224	26934	27665
6	Cumulative total Safe working hours	508224	532064	558640	583600	612856	633848	661568	690960	716496	742720	769654	797319
7	Number of LTI (Lost Time Injury)	0	0	0	0	0	0	0	0	0	0	0	0
8	Number of Accident	0	0	0	0	0	0	0	0	0	0	0	0
9	Number of Near Miss Reported	0	0	0	0	0	0	0	0	0	0	0	0

Figure 3. HSE Statistic Report year 2017

Sr.No.	Description	2018											
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	Total nos. of Staff	175	177	177	177	182	182	175	181	181	183	183	183
2	Total sick leave	8	17	11	16	8	6	8	24	11	17	5	14
3	*Number of working days	23	20	22	21	23	17	22	21	19	23	21	21
4	Cumulative of Operating Days from February	754	774	796	817	840	857	879	900	919	942	963	984
5	Total Safe working hours	32200	28320	31152	29736	33488	24752	30800	30408	27512	33672	30744	30744
6	Cumulative total Safe working hours	841040	869360	900512	930248	963736	988488	1019288	1049696	1077208	1110880	1141624	1172368
7	Number of LTI (Lost Time Injury)	0	0	0	0	0	0	0	0	0	0	0	0
8	Number of Accident	0	0	0	0	0	0	1	0	0	0	0	0
9	Number of Near Miss Reported	0	0	0	0	0	0	0	0	0	0	0	0

Figure 4. HSE Statistic Report year 2018

Sr.No.	Description	2019										
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
1	Total nos. of Staff	183	187	188	198	205	210	215	219	217	223	229
2	Total sick leave	16	22	18	15	14	15	11	8	23	17	12
3	*Number of working days	23	28	40	26	23	19	19	10	36	19	23
4	Cumulative of Operating Days from February	1007	1035	1075	1101	1124	1143	1162	1172	1208	1227	1250
5	Total Safe working hours	33672	41888	60160	41184	37720	31920	32680	17520	62496	33896	42136
6	Cumulative total Safe working hours	1206040	1247928	1308088	1349272	1386992	1418912	1451592	1469112	1531608	1565504	1607640
7	Number of LTI (Lost Time Injury)	0	0	0	0	0	0	0	0	0	0	0
8	Number of Accident	1	2	0	0	0	0	0	0	0	0	0
9	Number of Near Miss Reported	0	0	0	0	0	0	0	0	0	1	0

Figure 5. HSE Statistic Report year 2019

be'ah has not been involved in any legal cases, rulings or other events related to occupational diseases, injuries or discrimination against age, gender, marital status, pregnancy, family status, disability, race, nationality or religion.