

**COMMUNICATION ON PROGRESS (COP)**

Period covered by your Communication on Progress (COP)

From:  To:

**1. STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER (OWNER OR PRESIDENT IN THE CASE OF SMALL BUSINESSES)**

Please use the box below to include the statement of continued support signed by your company's chief executive

February 21, 2022  
To our stakeholders:

I am pleased to confirm that ALSAYER Group reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption

We will continue to conduct our business in line with the ten principles related to human rights, labor standards, environment, and anti-corruption.

We have already embarked on a journey to integrate sustainability into our DNA, strategy, culture, and day-to-day operations and communicated our commitment to our stakeholders

ALSAYER Holding's impact in sustainability is the result of actions taken by our employees across the company. This year reporting the ALSAYER Holding Sustainability Framework was formally launched in 2017 with the implementation of sustainability platform to standardize and integrate all the Sustainability KPIs across the organization in the various customized dashboards. The sustainability platform is now a guiding light in all the sustainability programs and initiatives taken up by the company.

While the company has taken a lot of actions to reduce its carbon footprint, the highlight of the year was the scaling up of actions taken by individual employees to adopt sustainable practices in their lives by adopting my SDGs in their personal and professional life, an initiative which can help to achieve 17 SDGs as stated by UN.

Some examples of organizational wise initiatives to include the replacement across the company of normal lights with LED lights, energy efficient air-conditioners and aerators for taps. Many employees took steps to reduce their energy consumption at home.

Carbon reduction, water neutrality, zero waste & circular economy have been well-established pillars of our environmental boom-line. As part of our ongoing endeavor to reduce the natural resource footprint of our operations the energy required to execute our services to go down towards the target of energy productivity on a 2016-17 baseline.

The goal of doing business at ALSAYER Holding is to drive positive change in the lives of our stakeholders and enable them to rise. This year there was impressive growth in the number of beneficiaries of our community outreach programs.

## 1. DESCRIPTION OF ACTIONS

### Human Rights

Please use the box below to describe **actions** your company has taken in the area of human rights.

Examples include:

The ALSAYER Holding workplace means creating an environment in which everyone is welcomed, respected, supported, and valued. ALSAYER Holding does not differentiate its employees based on the identity markers, such as gender, gender identity, race, color, religion, national origin, age, and disability

Employee Happiness: ALSAYER Holding has adopted Toyota Motor Corporations employee happiness program as the most important factor leading to customer happiness and thus increased productivity and profits.

Employee Engagement: Employee engagement is about positive attitude and behaviors leading to improved business outcomes, in a way that they trigger and reinforce one another. It is about our employees feeling pride and loyalty working for our organization, being a great advocate of the organization to our clients, users, and customers, going the extra mile to finish a piece of work and drawing on our employees' knowledge and ideas to improve our products and services and be innovative about how we work. It is about drawing out a deeper commitment from our employees, so fewer leave, sick absence reduces, accident rates decline, conflicts and grievances go down, productivity increases.

There are numbers of the policies and actions are in place to enhance the employee engagement, the **BEST IN BUSINESS forum** for all employees are being arranged periodically for all employees to communicate the ALSAYER Holding policies and achievements and the target and focus to meet going forward.

Employee Satisfaction: Employee Engagement is a workplace approach resulting in the right conditions for all members of an organization to give of their best each day, committed to their organization's goals and values, motivated to contribute to organizational success, with an enhanced sense of their well-being. At ALSAYER, we believe that an engaged employee is the one who is fully absorbed by and enthusiastic about his/her work and initiates positive actions to further the organization's goals, image, and interests.

### Labor

Please use the box below to describe **actions** your company has taken in labor. Examples include:

We focus and play an important role in ensuring employee health and safety, as they know the workplace, the employees and their job demands. In order to ensure a safe and healthy workplace we strictly follow the below actions.

- By implementing personnel management policies to ensure that everyone in the workplace is aware of their responsibilities.
- Establishing effective ways of meeting health and safety responsibilities.
- By ensure that employees fulfill their health and safety responsibilities as outlined in the organizational policies and programs.
- Preventing work related injuries and illnesses.

- Fostering a workplace safety culture in which employees and their supervisors work together to ensure workplace safety.
- By establishing administrative procedures that encourage employees to report unsafe conditions and unsafe practices to their supervisors.
- Ensuring that the health and safety policies and procedures conform with the applicable occupational health and safety legislation and accepted best practices in similar organizations.
- Helping reduce costs associated with losses due to absenteeism injuries, Workers' Compensation, disability, and health care.
- Maintaining records of injuries, illnesses, and workers' compensation.
- Coordinating first aid training and the provision of first aid to employees.

## Environment

Please use the box below to describe **actions** your company has taken in the area of environment.

Examples include:

Energy Consumption and Optimization.

We have taken steps to reduce our dependency on fossil fuels. Many of our locations in Kuwait have already started taking steps to make use of alternative energy sources. We are also putting our efforts to optimize our electricity and water consumption – our GSAS certification from GORD is a confirmation of our commitment

Energy is essential in meeting many basic human needs, as well as being fundamental in supporting our businesses activities that shape the world's economic growth.

The economic development of ALSAYER Holding is dependent on a continuous supply of energy that caters to all the necessary demands. The conservation of energy consumption with our efforts is being into place to support energy security plan.

To optimize the usage of Energy we have system to monitor the same, which provides us the starting point for our strategy to act on, also the same will reflect the reduction in Green House Gas emission

Socio economic development of our society depends on its energy consumption level. Various studies findings on energy indicate that there is a gap between current energy consumption and supply levels. Conventional primary energy reserves will not be able to meet the projected energy demand. So, the present energy system is not sustainable.

In accordance with the above statement ALSAYER Holding has intensive steps for the energy optimization across organization. These significant steps have shown the reduction of the energy consumption in our business activities.

We are adopting the latest technologic products, which help us to reduce the energy consumption; monthly energy consumption monitoring and online display at the facility area (Head Office) also take attention of all stakeholders. These steps are not complete without the awareness of the employee for the good practices to reduce energy consumption further.

### Renewable Energy

The abundance of solar resource potential and the falling cost of associated technologies; mainly photovoltaic (PV) modules are major factors influencing the attractiveness of solar energy. Kuwait lies in the so-called Global

Sunbelt-2 and boast some of the highest solar irradiances in the world. Close to 60% of the GCC's surface area is found to have excellent suitability for solar PV deployment

ALSAYER Holding is having sizable solar power generation installations in the many of our locations in order to meet the 2020 target and also to reduce our demand of energy from the grid. These solar power generation facilities provide the electricity to our facilities.

### **Water Management**

The main natural source of water available in Kuwait is the brackish groundwater located in the Kuwait Group and the Dammam aquifers, limited fresh groundwater is scarce. Because rainfall is seasonal and less than annual evaporation, the recharge of the groundwater from rainfall is negligible. Given the limitation of conventional water and the shortages of non-conventional water.

In ALSAYER Holding we design and operate our facilities to help reduce water use. We manage our water use carefully, and we tailor our use of fresh water as to cater to our basic needs. These concentrated efforts of reducing the water consumption also impact our carbon footprint as in Kuwait water sources are desalination plants. We have made use of the technologies available to reduce water consumption like the significant point of consumption of water while washing the **STEAM CAR WASH**

Conventional cleaning methods are often limited to the surface being cleaned. Steam, on the other hand, penetrates microscopic gaps dislodging even stubborn dirt particles. Another advantage is that bacteria and germs have nowhere to hide - this makes steam cleaning particularly efficient and hygienic – without the need for endless scrubbing.

Cleaning with steam also means cleaning without chemicals reduce water contamination. The combination of steam power and temperature alone dislodges stubborn dirt and makes cleaning agents superfluous. This conserves both water and the expense of cleaning agents.

Unlike cleaning detergents steam cleaners do not leave behind potential allergy-triggering residues on the cleaned surface. Steam cleaning is eco-friendly with no detergent and low water consumption.

- Steam cleaning is hygienic – even those hard-to-reach areas can be cleaned and 99.99% of bacteria killed.
- Steam cleaning is effortless – no scrubbing or polishing required.
- Steam cleaning is healthier – less detergent
- Steam saves time – cleaning is faster

### **Waste Management**

At ALSAYER Holding Waste disposal is the removal and storage and transportation of unwanted products and substances. There are both traditional and newer sustainable methods of waste disposal and each method has its own set of economic, environmental, political, and social advantages and disadvantages. Traditional and newer sustainable methods of waste disposal each have respective resource management viewpoints.

Traditional waste disposal methods include landfills, dumping of sewage into bodies of water, recycling, and composting. Landfills are the most prevalently used methods of waste disposal. Landfills are areas of land on which solid waste is deposited.

ALSAYER Holding's majority of the waste is generated from the service locations like batteries, metal auto components, tires, and oils. Among all of them the used oil contributes most of the waste.

ALSAYER Holding at all service locations for Toyota and Lexus vehicles are having Oil Water separators for wastewater that is collected, in Pre-Dispatch-Inspection wherein car washing to make ready vehicles for delivery to customer is having water recycling facility to recycle and reuse water.

ALSAYER offices are having the identified bins for the paper, plastic and other wastes generated in office activities.

ALSAYER Holding is having the contract with the waste disposal contractors, which are approved by Kuwait Environmental Protection Authority as they are having a responsible waste management process.

### **Emission and Environmental Impact**

At ALSAYER Holding we realize that Greenhouse gases, such as carbon dioxide, methane, nitrous oxide, and certain synthetic chemicals, trap some of the Earth's outgoing energy, thus retaining heat in the atmosphere. This heat trapping causes changes in the radiative balance of the Earth - the balance between energy received from the sun and emitted from Earth - that alter climate and weather patterns at global and regional scales

For several greenhouse gases, fossil fuel combustion is the country's major source of anthropogenic greenhouse gas emissions.

### **Future Mobility**

ALSAYER Holding always promote the Environment friendly products like first company in Kuwait to introduce the hybrid vehicles, hybrid combines at least one electric motor with a gasoline engine to move the car, and its system recaptures energy via regenerative braking. Sometimes the electric motor does all the work, sometimes it's the gas engine, and sometimes they work together. The result is less gasoline burned and, therefore, better fuel economy. Adding electric power can even boost performance in certain instances.

An electric vehicle (EV) is one that operates on an electric motor, instead of an internal-combustion engine that generates power by burning a mix of fuel and gases. Therefore, such as vehicle is seen as a possible replacement for current-generation automobile, to address the issue of rising pollution, global warming, depleting natural resources, etc. Though the concept of electric vehicles has been around for a long time, it has drawn a considerable amount of interest in the past decade amid a rising carbon footprint and other environmental impacts of fuel-based vehicles.

## [Anti-Corruption](#)

Please use the box below to describe **actions** your company has taken to fight corruption. Examples include:

What transparency means is hard to capture in just one sentence. At ALSAYER Holding it is about sharing all the information the stakeholders want or needs, and not just the information that the sender is willing to share. It is about putting all facts on the table, even when some of them are uncomfortable.

### **Code of Ethics**

ALSAYER Holding's code of ethics is a collection of principles and practices that our business believes in and aims to live by. Our code of business ethics usually doesn't stand alone, it works in conjunction with a

company’s mission statement and more specific policies about conduct to give our all stakeholders an idea of what the company stands for and how it’s members should conduct themselves.

Our policies include issues such as a company’s commitment to not work with suppliers who use child labor or are environmentally harmful.

**Anti-Bullying**

ALSAYER Holding states the purpose of its Anti Bullying policy is to communicate to all employees, that ALSAYER Holding Company will not in any instance tolerate bullying behavior. Employees found in violation of this policy will be disciplined, up to and including termination. Anti-Bullying policy ensures that all employees are treated with dignity and respect and those employees treat others with dignity and respect, free from harassment and bullying. All employees are required to take the time to ensure they understand their obligations under this policy. ALSAYER Holding Company defines bullying as repeated inappropriate behavior, either direct or indirect, whether verbal, physical or otherwise, conducted by one or more persons against another or others, at the place of work and/or in the course of employment. Such behavior violates ALSAYER Holding Company’s Code of Ethics, which clearly states that all employees will be treated with dignity and respect.

**Anti-Fraud**

ALSAYER Holding’s policy for Anti-Fraud is communicated to all employees that ALSAYER Holding Company is committed to the highest standards of openness, transparency and accountability in all its businesses. The corporate fraud policy is established to facilitate the development of controls that will aid in the detection and prevention of fraud against ALSAYER Holding Company. All employees and third parties are expected to adopt the highest standards of propriety and accountability, and to play a key role in promoting an anti-fraud culture.

**3.0 MEASUREMENT OF OUTCOMES**

In the box below, please include the most relevant indicators to **measure outcomes**. Examples include:

S. no.	Category	KPI	2020	2021
01	Nature	Electricity Consumption MWh	33076	36289
		Energy Consumption by Source		
		Electrical Grid MWh	31492	34409
		Renewable Energy MWh	1584	1880
02		Total Fuel Consumption (Fleet) Liters	1866689	2083145
		Total Distance Travelled (Fleet) Km	24,080,288.1	26,872,570.5
03		Financial Savings from Renewable Energy generation KD	7,920.0	9,400.0
		Scope-2 GHG Emission MT	19,525.0	21,333.6
		Scope-1 GHG Emission MT	4,123.3	4,601.4

04	<b>Water and Waste Management</b>	Water Saved from steam car washing M3	11,496.2	12,593.7
		Steam washing line in total Nos.	18	18
		Total Volume of water consumed M3	78,969.0	86,283.0
		Direct financial saving from water consumption management KD.	5,057.7	5,540.6
05	<b>Human Rights</b>	Gender Diversity (Nos.)		
		Female	191	189
		Male	2727	2571
		Turnover Rate %	11.9%	11.5%
		Resignation	5.1%	7.7%
		Termination	4.5%	2.7%
		Retirement	0.9%	0.7%
		Internal Transfer	1.4%	0.2%
		Death	0%	0.1%
		Workforce Nationalization Rate	1.9%	1.8%