

Thursday, March 07, 2019 H.E. António Guterres Secretary-General United Nations New York, NY 10017 USA

Dear Mr. Secretary-General,

I am happy to confirm that Napco National supports United Nations Global Compact's Ten Principles on environment, human rights, labor, and anti-corruption. With this statement, we express our commitment to integrate those principles in our strategy, culture and day-to-day operations. Napco National will make a clear statement of this commitment to our stakeholders and the general public.

Currently, our business code of conduct promotes equal opportunity and diversity and an inclusive work environment, as well as prohibits corruption and unethical behavior that violate human rights. We emphasize reduction of negative environmental impacts through initiatives that focus on sustainable raw materials, circular economy, and responsible product development. Furthermore, with a community-centered corporate culture, we will continue to launch or collaborate in projects that advance the broader development goals of the United Nations, principally the Sustainable Development Goals.

We commit to annually reporting our sustainability progress within one year of joining the UN Global Compact, recognizing that a key requirement for participation in the UN Global Compact is the annual submission of a Communication on Progress (CoP). In 2018, we launched our first Sustainability Report based on the Global Reporting Initiative (GRI) and will use this framework to communicate advancement towards implementing the Ten Principles.

In support of public accountability and transparency, our annual CoP will include:

- An annual executive statement expressing continued support for the UN Global Compact and renewing our ongoing commitment to the initiative and its principles.
- A description of practical actions (i.e., disclosure of any relevant policies, procedures, activities) that the company has taken (or plans to undertake) to implement the UN Global Compact principles in each of the four issue areas (human rights, labor, environment, anticorruption).
- A measurement of outcomes (i.e., the degree to which targets/performance indicators were met, or other qualitative or quantitative measurements of results).

Sincerely yours,

Mr Mounir Frem President, Central Services

Napco National C.J.S.C C.R. 2050000435 Est. In 1956 Dammam – KSA Capital 226 500 000 S.R. Fully Paid 1<sup>st</sup> Industrial City, 3rd Street P.O. Box 538, Dammam 31421 – KSA Tel +966 13 845 9400 | Fax +966 13 847 1435

