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**United Nations
Global Compact
Communications
on Progress**

2018



United Nations Global Compact

Message from the CEO

I am pleased to confirm that United Projects for Aviation Services Company K.S.C.P. (UPAC), for the fifth consecutive year, hereby reaffirms its support of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. UPAC is committed to continue its participation and support in each of these areas, and for the ultimate benefit of its stakeholders, shareholders and wider community.

Within this 2018 Communication on Progress (COP) report, we list our latest achievements, our policies and performance with regards to the ethics and values upheld by the UN Global Compact Principles. Achievements during 2018 include:

- Re-Certification of Quality Management System - ISO 9001:2008.
- Certification of the Occupational Health and Safety Management System - OHSAS 18001.
- Certification of the (Environmental) management systems - EMS 14001
- Complete review of existing HR policies and procedures manuals in order to ensure they are in line with the company's Corporate Governance Framework.
- Drafting a new set policies and procedures for the finance department to apply additional control.
- Participation in various community activities to support humanitarian issues.
- Expanding the scope of Corporate Social Responsibility (CSR) activities.
- Protection of the environment by using environmentally friendly products, controlling company waste and electricity consumption.
- Complete the execution of the environmental project: A practical guideline for the successful operation of variable frequency drives for cooling towers at Kuwait International Airport.
- Provide comprehensive technical and management training programs across all departments.
- Completing six training program sessions on the UN Global Compact principles and CSR initiatives.

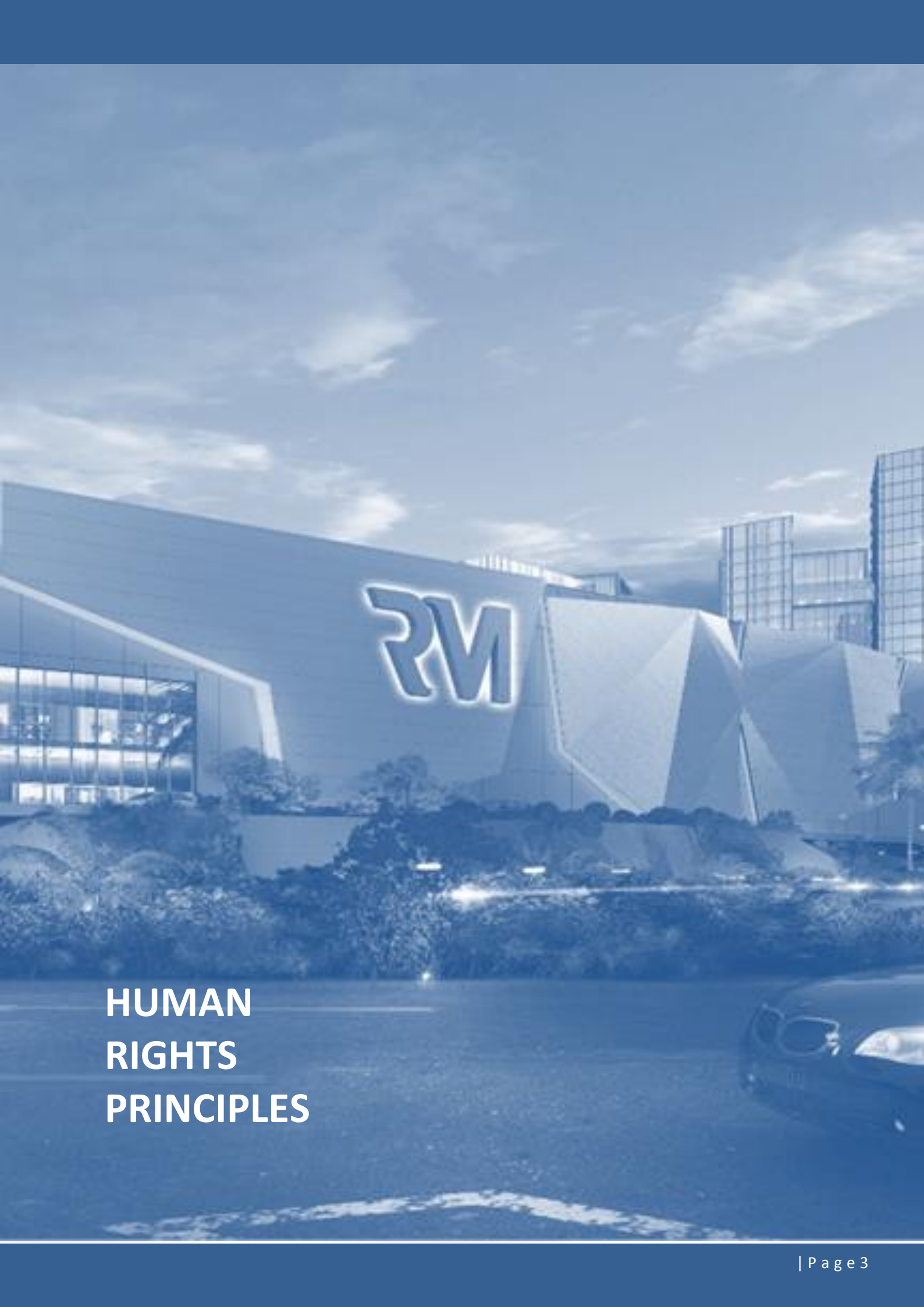
In this annual COP report, UPAC presents an overview of its commitment to the ten principles set out in the UN Global Compact by showcasing its relevant achievements to date through its business strategy, work culture and daily operations. UPAC continues to uphold these principles as well as its obligation to consistently report and communicate its annual progress to its stakeholders.

Best Regards,



Nadia Akil
CEO and Vice Chairperson





**HUMAN
RIGHTS
PRINCIPLES**

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2

Make sure they are not complicit in human rights abuses.

HUMAN RIGHTS PRINCIPLES

UPAC employees are required to participate in mandatory Ethics and Compliance training courses during the first six months of employment. The training is conducted using examples and other real situations that are designed to aid in the understanding of model behavior. Participants must complete an online examination designed to ensure understanding of good business practices. The system provides the participant with an option to listen to the live conversation or read the script of the situation. An electronic certificate of completion is generated for employee and corporate records are updated accordingly.

In 2018, UPAC's management implemented a new set of the training courses in addition to the basic trainings provided upon joining. Employees are required to pass the training and certification exams set by SAI Global Company through an online interactive training. In addition to the training courses detailed earlier in 2015 – 2017 COP reports, below are the new set of training courses allocated to employees, both managers and non-managers. For more information please visit www.saiglobal.com

- **Management Team**

- Whistleblowing: Raising Concerns
- Preventing Sexual Harassment
- Code of Business Ethics
- Combating Bribery in Business
- Antitrust
- Human Rights
- Privacy and Data Protection
- Conflicts Of Interest **(new)**
- FCPA Anti-Bribery **(new)**
- Global Data Protection **(new)**
- Government Procurement **(new)**
- Insider Trading **(new)**
- UK and EU Competition Law **(new)**



- **Non-Managers**

- Combating Bribery in Business
- FCPA Anti-Bribery
- Antitrust
- Code of Business Ethics
- Human Rights
- Government Procurement
- Whistleblowing: Raising Concerns
- Conflicts Of Interest **(new)**
- Global Data Protection **(new)**
- Insider Trading **(new)**
- UK and EU Competition Law **(new)**

The 'Conflicts Of Interest' training course is now required to be completed upon joining. Employees are requested to pass the mandatory online training that includes Human Rights and other related courses. Participation is conducted through e-learning on an individual basis, and employees must pass the online examination to achieve certification.

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2

Make sure they are not complicit in human rights abuses.

Induction and Orientation

Newly joined employees are introduced to UPAC through a comprehensive orientation program. The standard orientation program covers the following:

- UPAC Vision, Values and Services.
- UPAC Organizational Structure.
- HR Department Scope of Work.
- Contact details for key persons.
- Introduction for Abroad Hires.
- Residency information.
- Working Hours, Leave and Official Holidays.
- Grievance and Disciplinary System.
- Performance Review Process on Eforms.
- Dress Code.
- Code of Business Ethics and Conduct.
- Health and Safety Procedures.
- Job Description and Orientation to the respective Department.

Training and Development

As per the revised Orientation Training and Development Policy, employees will receive the required orientation in order to understand their rights and duties. The orientation process provides the employee with information related to the organization's structure, direct reporting access, whistleblowing channels as well as a brief on the Grievance and Disciplinary Policy. Orientation is provided in both languages, Arabic and English. New recruits are also informed of their rights in both Arabic and English languages. Contracts defining salary and benefits are issued to each employee in three copies; one copy for UPAC, one for the employee and one provided to The Public Authority for Manpower, a government entity.

As part of our recruitment and employee orientation training, new recruits are provided with the employee handbook that includes an overview of the company's ethical practices. UPAC is committed to pay salaries by the 25th of each month based on an approved grading system that defines the titles, basic pay, as well as allowances and benefits for each employee.

During 2018, the Succession Plan and Career Development Policy has been updated and approved. All members of the management team as well as direct line supervisors are responsible for the implementation of the Career Development Policy. The Succession Plan aims to ensure timely availability of a diverse and experienced employee pool to fulfil key job requirements as and when required.

Local and International Recruitment

For local and international recruitment, UPAC covers all relevant recruitment fees, visa fees, airfare, travel, medical as well as any other applicable fees for all employees. Technical employees are supplied with six (6) complete sets of company uniforms, two (2) pairs of safety shoes, winter weather clothing and job-related Personal Protective Equipment (PPE).

All employees are recruited based on the Kuwait Labour Law practices considering their right for annual leave and sick leave payback. Service period indemnity is paid as per the Kuwait Labour Law. UPAC's policy states that all employees must retain their own passports.

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights.

The recruitment processes continually support the establishment of a diverse workforce and ensure that all employees and employment applicants are treated fairly and as per the Equal Employment Opportunity Policy. UPAC is committed to continue and contract with only those recruitment agencies that refrain from charging fees to applicants and that refuse to accept applicants under the age of eighteen (18). Any associated recruitment costs are fully covered by UPAC.

UPAC is also committed to recruit applicants from abroad through the official channels stated by local embassies and as per the Kuwait Labour Law. UPAC carefully screens all employees prior to employment to ensure recruitment of applicants above the age of 18. Employment contracts clearly define employee entitlements, including salary, benefits, annual leave, vacations and indemnity. The annual incentives are linked to performance appraisal review and it is part of UPAC's remuneration packages for all its employees.

Principle 2

Make sure they are not complicit in human rights abuses.

The religious beliefs and practices are respected and accepted within the organization, whereby sufficient time is given for prayer during working hours. During Ramadan, working hours are reduced by two (3) hours a day as per the Kuwait Labour Law and all relevant religious holidays are respected.

Work-Life Balance

Over the course of 2018, UPAC organized two employee focused events intended to build the bonds between UPAC's team as well as to recognize their contributions to the company. The first event was UPAC's Iftar Family Gathering which took place in June 2018 at the Regency Hotel Kuwait for all staff members and their families. The second event was an employee Family Outing which took place in November 2018 at the Palms Hotel & Spa, Kuwait.

During the Iftar Family Gathering, attending employees and their families enjoyed a pleasant atmosphere with the wider UPAC team where they were entertained by an exciting raffle



draw. Employees who could not attend the Iftar due to work conflicts were provided with an open buffet station near their working location to enjoy an Iftar meal. In addition, employees on duty during the whole month of Ramadan were provided with daily Iftar meals.

UPAC's third employee family outing at the Palms Hotel & Spa, welcomed over 100 employees and their families to celebrate the company's successes. The family day included various entertainment activities in addition to water sports facilities available at the hotel. Again, employees unable to attend due to work conflicts were presented with a complimentary coupon to enjoy an open buffet lunch or dinner at the hotel.



LABOUR

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 labour.

Principle 5

The effective abolition of child labour.

Principle 6

The elimination of discrimination in respect of employment and occupation.

LABOUR

UPAC is an Equal Opportunity Employer and prohibits discrimination and harassment of any kind. UPAC is committed to the principle of equal employment opportunities for all employees as well as to providing them with a secure work environment free of any form of discrimination or harassment. The company also continued to enhance its existing policies and procedures during the year.

The mandatory Code of Business Ethics E-Learning training course is assigned to raise awareness of the Equal Employment Opportunity and prevention of harassment. UPAC follows a zero tolerance policy with regards to breach of conduct; hence employees must attend these courses electronically and are required to pass the courses to ensure compliance.

All employment decisions at UPAC are based on business needs, job requirements and individual qualifications, without regard to race, color, religion or belief, national or ethnic origin, gender, age, disability, or any other status protected by the laws or regulations. UPAC does not tolerate discrimination, harassment, inhumane treatment including any form of forced labour, physical punishment or any other type of abuse. UPAC promotes workplace equality and seeks to eliminate all forms of discrimination.

UPAC supports women in the workforce, and takes the necessary measures to understand their needs while seeking to actively support their career paths by promoting a healthy work-life balance. By the end of 2018, UPAC's team consists of 88 employees, three out of its seven senior executives are female; this reflects the value the company places on their experience and knowledge.

Revision of Policies and Procedures

UPAC revised the Human Resources Policies and Procedures including the Equal Employment Opportunity Policy to ensure compliance with the regulations issued by the Capital Markets Authority (CMA) in relation to the overall Corporate Governance Framework. The Human Resources policies have been signed off in 2015 and have since been reviewed, updated and enhanced every two years. The last review has been approved in 2018.

UPAC signed off the Finance Department Policies and Procedures that addresses the necessary relevant International Financial Reporting Standards (IFRS) and Generally Accepted Accounting Principles (GAAP) to ensure alignment of both local and international laws and to ensure stronger financial control.

- | | |
|---|----------------|
| • Accounts Payables | UPAC.FIN.D.001 |
| • Accounts Receivable and Bad Debts Process | UPAC.FIN.D.002 |
| • Cash Management and Bank Reconciliation | UPAC.FIN.D.003 |
| • External Audit Process | UPAC.FIN.D.004 |
| • Fixed Assets | UPAC.FIN.D.005 |
| • Inventory | UPAC.FIN.D.006 |
| • Petty Cash Process | UPAC.FIN.D.007 |
| • Revenue Recognition | UPAC.FIN.D.008 |
| • Management Information Reporting | UPAC.FIN.D.009 |
| • Annual Budgeting Process | UPAC.FIN.D.010 |

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Collective bargaining

Collective bargaining is tightly restricted in the State of Kuwait and the private labour laws have limited employee rights to form and join unions; however the law prohibits anti-union discrimination and employer interference with union functions. At UPAC, we are expanding the channels for employees to speak about their grievances and concerns to management in a formal structure. As per the approved Corporate Governance Framework and HR policies; employees are provided with various channels by which to express their opinions, provide feedback, or raise concerns.

Principle 4

The elimination of all forms of forced and compulsory labour.

In 2018, three employees were promoted from a support or junior role to a senior role within the company. Promotions are based on performance, fulfilling certain job requirements as well as the employees' qualifications.

UPAC is committed to conduct its business fairly and in full compliance with all applicable laws and regulations. UPAC strives to implement the highest standards of business conduct and ethics both internally within the organization, as well as externally with respect to its customers, suppliers and other related third parties. That being said, it is crucial that all employees uphold these ethical standards and comply with such regulations when conducting business.

Principle 5

The effective abolition of child labour.

Employees are free to participate in the political process in their private capacity provided it does not constitute a breach of the principles set out in the Code of Business Ethics and Conduct.

Principle 6

The elimination of discrimination in respect of employment and occupation.

UPAC fosters an honest, fair, and transparent work environment, accordingly the company provides the below communication channels to allow employees to voice their concerns accordingly and in complete confidentiality:

- UPAC Customer Complaint Email customer.feedback@upac.com.kw
- UPAC Whistleblowing Email whistleblowing@upac.com.kw
- UPAC Suggestion Box

Training and Development

During 2018, UPAC invested approximately USD 60,000 in training and development compared with USD 50,000 in 2017. This investment has been instrumental in developing the skills and competencies for employees at all levels in the organization.

In 2018, six employees joined UPAC and the completion ratio for online trainings during the year was recorded as follows:

- 45% January 2018
- 71% May 2018
- 93% October 2018
- 98% December 2018

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 labour.

Principle 5

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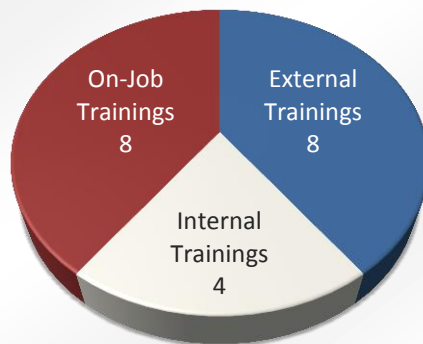
Principle 6

The elimination of discrimination in respect of employment and occupation.

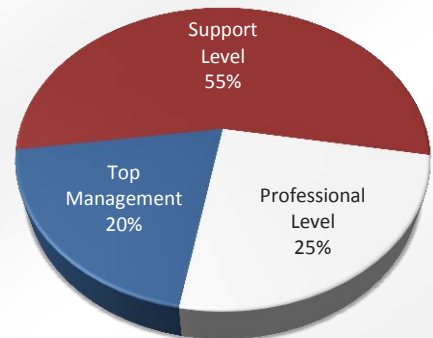
Structured and on-job training is an ongoing process at UPAC, and in 2018 the company provided the below intensive training programs covering the following topics:

Training Description	# of Participants
Babson Entrepreneurial Leadership & Innovation	1
Fast Track Growth	1
Innovation for Competitiveness	1
The Japanese Management Model (Kaizen)	16
Innovation Leadership	16
Office Management Diploma	1
Market division and new driving rules	1
International Financial Reporting Standards "IFRS"	7
Leadership and Time Management Skills	17
Corporate Social Responsibility Awareness	80
Waste Management	16
Energy Saving	25
SKIDATA Parking Management System 1	8
SKIDATA Parking Management System 2	15
Centrifugal Air conditioning system	8
Electronics & PLC Control System	5
Firefighting deluge system	8
Ergonomics	13
Conveyor Mechanical System	7
Fire Alarm System	7

Number of Training diversity in 2018



Percentage of Training Across the Structure in 2018





ENVIRONMENT

Principle 7

Businesses should support a precautionary approach to environmental challenges.

Principle 8

Undertake initiatives to promote greater environmental responsibility.

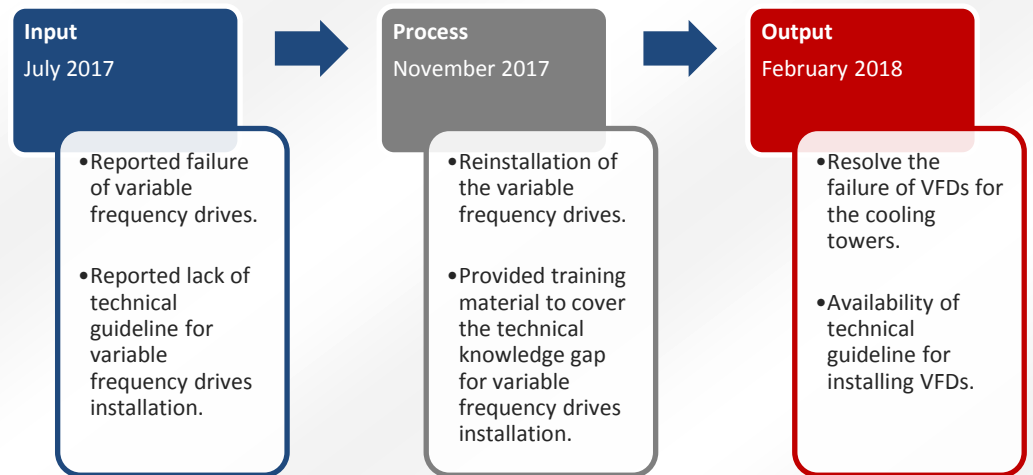
Principle 9

Encourage the development and diffusion of environmentally friendly technologies.

ENVIRONMENT

During 2018, UPAC continued its efforts that have been initiated in 2017 to encourage the development of environmentally friendly technology at the Kuwait International Airport. The project has been funded and initiated by the Kuwait Institute for Scientific Research (KISR) and the Kuwait Foundation for the Advancement of Sciences (KFAS). These technologies were aimed at reducing the water and electricity consumption at the Kuwait International Airport.

Guideline for Successful Operation of Variable Frequency Drives for Cooling Towers at Kuwait International Airport.



The pillars of training and development are important at UPAC, and in 2018 the company established a standalone fully integrated Training Room to accommodate these sessions. . The room includes all the required training facilities required such as projectors, learning tools, adjustable tables and chairs. The room has been designed to consider the environmental acceptable noise levels that may occur from cars, traffic, and flights.

UPAC regularly encourages all employees to save energy and protect the environment by applying the following:

- Spreading awareness about the importance of protecting the environment and conserving energy.
- Sharing reminder memos to switch off all electronics (including lights, laptops, PCs and other electronics) on a daily basis at the end of each working day.
- Verbally addressing such issues individually to employees.

Principle 7

Businesses should support a precautionary approach to environmental challenges.

Since the launch of the 'Go-Green' program in 2014, UPAC continues to uphold and expand the program day by day. In 2018, the company contracted with United Waste Management Company to recycle all types of paper in UPAC. For plastic recycling, UPAC has been working with Omniya Plastic Recycling Company since 2016 to collect all types of plastic waste. Both companies are committed to recycling schedule on weekly basis.

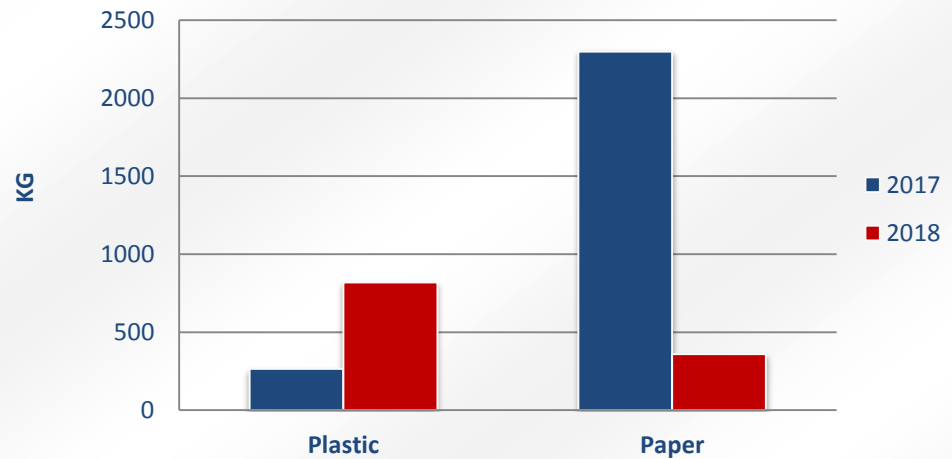
Principle 8

Undertake initiatives to promote greater environmental responsibility.

Principle 9

Encourage the development and diffusion of environmentally friendly technologies.

Recycled Material in 2018



In May 2018, UPAC expanded its scope of environmental awareness to include all employees in its environmental initiatives.

The HR Department organized six sessions in both Arabic and English languages to increase awareness of practices that can affect the environment and how to change those practices.

Furthermore, all employees are provided with the appropriate PPE such as overalls, gloves, eyeglasses, hearing protection, reflective vests and safety shoes to ensure that anyone coming into contact with hazardous materials is protected. UPAC conducts continuous training programs to ensure adequate protection to help prevent any hazardous incidents.

UN environment #BEATPLASTICPOLLUTION

IF YOU CAN'T REUSE IT, REFUSE IT

HOW IS PLASTIC USED?

- Agriculture: 3.3%
- Electronics: 5.8%
- Automotive: 8.9%
- Building and construction: 19.7%
- Consumer and household goods, furniture, sport, health, safety: 22.4%
- Packaging: 39.9%

#BEATPLASTICPOLLUTION WORLD ENVIRONMENT DAY UN environment

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Principle 7

Businesses should support a precautionary approach to environmental challenges.

Principle 8

Undertake initiatives to promote greater environmental responsibility.

Principle 9

Encourage the development and diffusion of environmentally friendly technologies.

UPAC marked Earth Day 2018 by hosting a screening of environmental documentaries at Discovery Center in Kuwait City on April 21st, covering key topics including environmental preservation, water conservation and the importance of agriculture.



Ten UPAC volunteers distributed 480 small plants to the audience, including children, and asked them to re-plant them in their own gardens. UPAC also distributed informative flyers about Earth Day to increase the awareness amongst the children.

This year's Earth Day activities make up a part of a wider range of socially responsible initiatives dedicated solely to the environment.

Between March and May 2018, UPAC participated in several environmental programs including the "Think, Walk and Save" challenge and the "Healthy Meal Program" aimed at increasing awareness about following a healthy life style.



Principle 7

Businesses should support a precautionary approach to environmental challenges.

Principle 8

Undertake initiatives to promote greater environmental responsibility.

Principle 9

Encourage the development and diffusion of environmentally friendly technologies.

UPAC's "Think, Walk and Save" challenge aims to promote a healthy life style, whereby the competition ran through the months of April and May to measure employees' activities and movement during the day. The competition encourages employees to walk instead of taking the elevator or escalator, an easy way to help reduce electricity consumption.

Employees who entered this competition have installed an easy-to-use 'steps counter' application on their smartphone or handheld devices in order to track their movements during that period, and those who have achieved the highest number of steps would win the competition.



Ganesh Gadge won the competition in April after achieving 448,998 steps while Majdi Hanna won in May for achieving 493,137 steps.



UPAC continued to participate in the 'Healthy Meal Program' to encourage health and well-being. All employees were invited to share an environmentally friendly meal with their team members. Employees are asked to contribute by providing one healthy

vegetarian meal, as a symbolic gesture to recognize the importance of the environment.

UPAC has pledged to continue working with various environmentally friendly organizations to further its commitment and support towards the environment. As a responsible company operating in Kuwait, UPAC aims at reducing its environmental impact and increasing its efforts in promoting various CSR initiatives.



ANTI-CORRUPTION

Principle 10:

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

ANTI-CORRUPTION

UPAC has a zero tolerance approach to unethical conduct and is committed to ensuring that its employees uphold the company's reputation. UPAC fosters honesty, integrity and equality in all aspects of its business and expects the same in its relationships with all those with whom it conducts business.

Code of Conduct and Business Ethics

In 2018, UPAC reviewed and updated the Code of Business Ethics and Conduct in order to help employees identify, report, and resolve certain conflicts and other complications that may arise during the course of business as part of its standard review procedure.

UPAC employees are required to comply with internal rules regarding the prevention of bribery and corruption with interactions related with government officials and private individuals. It is also required that external consultants to comply with the same internal policies as per the Corporate Governance Framework. The Code is available to all employees on the company website and is also covered within the employee handbook.

UPAC's induction program for new recruits educates employees on the importance of corporate ethics, values and business conduct. New employees are given a copy of the Code of Business Ethics and Conduct upon their employment and are required to sign it as acceptance and acknowledgement.

UPAC's Code of Business Ethics and Conduct mirrors UN Global Compact Principles, which include but are not limited to: conflicts of interest, insider trading, external affiliations, money laundering, improper payments, fair dealings, gifts, meals and entertainment in the course of interacting with clients, suppliers, subcontractors and competitors.

Avoiding Bribery

The Code of Business Ethics and Conduct governs the conduct of employees as well as the Board of Directors. The Code is aligned with the regulatory Corporate Governance Framework.

In complying with the Corporate Governance Framework, all five members of the Board of Directors attended a customized e-learning session by SAI Global Company. The below topic have been covered for 2018.

Name	Description
Recognizing and Avoiding Bribery	This course is designed to make it clear that the Company prohibits bribery, including the bribery of government, or public, officials, anywhere it does business.

UPAC does not make payments or other contributions to political parties, organizations or their representatives. UPAC commits to providing information that is up-to-date, accurate and reliable. All information or data presented to government officials or other third parties is up-to-date, accurate and reliable.

Principle 10:

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

Corporate Governance

The principles of the Corporate Governance Framework falls within the responsibilities of the members of the Board of Directors (BOD). The BOD are committed to implementing a proper governance system that meets the relevant regulatory requirements set by the Capital markets Authority (CMA) and other applicable regulatory bodies.

UPAC's BOD adopted a sound Corporate Governance Framework that enhanced the overall governance environment within the company and that is in line with applicable leading practices, laws and regulations.

This has been pursued through an integrated Corporate Governance system applied and monitored through a set of policies, standards and internal controls that have been adopted by the company in line with regulatory requirements.

Under the Corporate Governance Framework, UPAC began implementation of an internal control system that ensures all business transactions are checked, verified and audited regularly.

Risk Management Function

The Risk Management Function ensures that the company's overall risks are effectively identified, managed and rectified. Risk identification includes existing or potential risks. UPAC's BOD ensures that sufficient management resources are allocated to the identification, assessment and the appropriate measures are taken related to business risks.

Internal Audit Functions

The Internal Audit Function (IAF) plays a critical role in providing the BOD and Executive Management with a comprehensive view of the applied financial and operating controls. The IAF provides assurance on the effectiveness of the Internal Control, Risk Management and Corporate Governance Framework processes within the company. The BOD has allocated qualified resources to manage the IAF.

During 2018, all financial reporting activities have been carried out through the external audit and internal audit functions, as well as through direct reporting to the BOD via the recommendations of the Board Risk and Audit Committee.

The external and internal audit activities included the following:

- Surveillance audit conducted for the ISO 9001, OHSAS 18001, EMS 14001 standard by SGS.
- Risk Assessment Audit conducted by Protiviti Kuwait.
- Internal Control Audit conducted by Deloitte Kuwait
- Financial Audits conducted by Ernst & Young Kuwait.
- Internal Audits conducted by Agility Kuwait.
- Corporate Social Responsibility Audit conducted by Agility Kuwait.

Access to the full Corporate Governance Report for 2017 is available on the below link. <http://www.upac.com.kw/userfiles/annual/En102AnnualReportUPACEn.pdf>

Principle 10:

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

Board of Directors Meetings

The BOD held a total of seven meetings during the course of 2018 (as of 8th November 2018). All meetings are called by a formal invitation in advance, in order to allow adequate time for members' to attend. Each time a meeting is called for, a formal agenda is shared with members along with all necessary supporting documents prior to the meeting to allow members sufficient time to review.

Board of Directors Meetings	
Year	Number of Meetings
2016	8
2017	8
2018	7

In 2016, UPAC established two independent committees in order to provide an independent review function between the BOD and management. The committees seek to provide recommendations to the BOD as an independent body and as well as to monitor the effectiveness of Executive Management.

Board Risk and Audit Committee (BRAC)

The Board Risk and Audit Committee (BRAC) was formed pursuant to a Board Resolution executed on 28th June 2016, following the approval from the CMA to merge the Board Risk Committee and the Board Audit Committee. The below schedule indicate the progress of the Board Risk and Audit Committee (BRAC) meetings as of 31st October, 2018:

Board Risk and Audit Committee (BRAC)	
Year	Number of Meetings
2016	3
2017	4
2018	4

Board Nomination and Remuneration Committee (BNRC)

The BNRC was formed pursuant to a Board Resolution dated 10th November 2016. The below schedule indicate the progress of the Board Nomination and Remuneration Committee (BNRC) meetings as of 31st October, 2018:

Board Nomination and Remuneration Committee (BNRC)	
Year	Number of Meetings
2016	1
2017	1
2018	2

Principle 10:

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

International Accreditation

In March 2018, UPAC acquired the ISO 14001:2015 - Environmental Management System (EMS) and OHSAS 18001:2007 Occupational Health and Safety Management System certifications by Société Générale de Surveillance (SGS) Kuwait. UPAC has also successfully passed the certification transition requirements for the current ISO 9001:2015 - Quality Management Systems (QMS) by SGS Kuwait.



The certificates were awarded following a stringent site audit of all UPAC managed facilities at the Kuwait International Airport and in recognition of its implementation of the environmental and safety management systems as well as its continued efforts to maintain and improve its quality management standards.

These certificates reflect UPAC’s commitment to provide the highest standard of quality, safety and environmental management. It furthers credits UPAC’s position in the local and regional markets as a leading real estate and facilities management company.

The certificates are issued by the United Kingdom Accreditation Service (UKAS), the sole national accreditation body recognized by the British government.





**CORPORATE
SOCIAL
RESPONSIBILITY**

CORPORATE SOCIAL RESPONSIBILITY

UPAC participated in CSR initiatives that support families and communities both locally and internationally. Initiatives carried out ranged between fundraising, donation and sponsorships.

- **UPAC Distributes “Machla” Donation Boxes to 787 Underprivileged Families**
14 – 16 May 2018



UPAC in cooperation with Agility successfully completed its Machla distribution across Kuwait, which ran ahead of the Holy month of Ramadan; reaching 787 families with the help of the Kuwaiti non-profitable organization, The Basket.

Machla, as referred to in the local language, consists of basic food supplies that are provided as a gift to cover a month’s supply of necessary food items to families in need. Over the course of three days, 14 UPAC and Agility volunteers helped to distribute boxes in underprivileged communities. The basket organizers accompanied the volunteers during the distribution process, identifying the households that are most in need. Some of these households support between 10 – 20 individuals, many of which are children under the age of 12.

- **UPAC Hosts Job Shadow Workshops for INJAZ**
First workshop : 28th February 2018
Second workshop : 7th May 2018



For the second consecutive year, UPAC supported INJAZ Kuwait through various workshops, where it helped in mentoring nearly 40 high school students. A total of seven UPAC employees participated in INJAZ’s “Job Shadow” workshop in February and May where they mentored 20 high school students from the American Creativity Academy in Kuwait – Girls Campus and another 20 from the American Academy for Girls.

Volunteering representatives from various departments at UPAC had the opportunity to share their respective work experiences, department responsibilities and gave a presentation about the company structure and about the company’s operations. In addition, the students were then taken on a tour of Kuwait International Airport’s Control Room, conveyor belts and plant room to gain a greater understanding of UPAC’s line of business and its airport operations.

This workshop allowed students to better define their own career-paths, and academic direction, as they continue their studies after graduation.



- Women Mentor Forum (WMF) - Leading the Private Sector Forum**
 9th May 2018

UPAC sponsored and participated in the Women Mentor Forum on 9 May to discuss the role of women in leadership in the private sector.

Guest speaker, Dr. Cindy Drakeman, CEO of DoubleXEconomy, addressed the issue of women and the economy from a global perspective. UPAC CEO, Nadia Akil took part in the second panel discussion on gender equality, diversity and inclusion in the private sector. During her discussion, Akil talked about the various challenges women face in the private sector in Kuwait as well as the inevitable cultural and social barriers that need to be overcome to ensure lasting gender equality.

UPAC has been committed to the principle of gender diversity and continues to support the inclusion of women in its recruitment plans, training programs and overall retention of talent, while actively promoting a healthy work-life balance. As a community member, UPAC believes it has a responsibility to participate in the development of society; gender diversity is a fundamental component of this overall development. Through engagement in female empowerment platforms, education and continued awareness, UPAC aims to contribute to empowering women today to be the leaders of tomorrow.

WMF is a Kuwait-based project with a vision to support the economy by increasing the numbers of women executives and women entrepreneurs in the local work force. WMF aims to help empower many more young women and give them the rights tools, skills and knowledge to succeed in the private sector.



- UPAC support KRCS’s Humanitarian Aid for Rohingya Campaign**
 18th January 2018

In light of UPAC’s continued efforts to uphold its social responsibility, the company joined forces with the Kuwait Red Crescent Society (KRCS) to support Rohingya refugees in their campaign “Humanitarian Aid for Rohingya”.

The campaign aimed to raise funds to support the Rohingya refugees in need of humanitarian and financial support in order to secure basic necessities such as food, water and healthcare. Employees were invited and encouraged to participate in the campaign. UPAC and Agility matched the donations raised by UPAC employees.



- **Global Education Drive 2018**
September – October 2018

Since 2016, UPAC has supported several education drives initiated by Agility. In continuation of this effort, during September and October 2018, UPAC partnered with Agility to run a Global Education Drive (GED) with the support of UPAC team members. The GED is an initiative that aims at supporting less fortunate students.

Six UPAC employees participated in this initiative by providing basic school supplies such as books, stories, dictionaries, notepads, school bags, stationary and other school supplies. UPAC believes that better education builds stronger communities and creates a higher quality of life for everyone.



- **UPAC Organizes Two Blood Donation Drives In Collaboration with the Kuwait Central Bank.**

Discovery Center : 30th June 2018
UPAC Head Office : 5th July 2018

For the fourth consecutive year, and in continuation of the “Donate Blood to Save Lives” campaign, UPAC organized blood donation drives in partnership with Kuwait Central Blood Bank. The two blood donation drives were held on 30 June and 5 July 2018 at Discovery Center and at UPAC’s office respectively. UPAC’s blood donation drive showcases the company’s commitment towards the local community where it makes an impact on lives of the community where it operates.



23 UPAC employees as well as Discovery Center visitors donated blood in support of Kuwait Central Blood Bank’s campaign. A total of 21 liters of blood were donated which are used to augment emergency blood requirements at government hospitals in Kuwait.

In Kuwait, there is a growing demand for blood donations required to help those in need of immediate transfusions following an accident or illness.

- **UPAC and Agility Contribute to Indian Shelter Project for the Second Year.**
29th August 2018

For the second year and in an effort to support communities across the globe, Agility and UPAC have both made sizable contributions to support the Indian Orthodox Syrian Church's project (a Church based in Kuwait) in building a shelter for the elderly and homeless population in Kerala, India.

The contribution from both Agility and UPAC will help build this three-floor shelter, comprised of 25 rooms on each floor, with common facilities such as a dining hall and restrooms. Once completed, this shelter will be able to accommodate roughly 75 residents with food and living facilities.



The project also aims at employing 20 staff who will give the proper care and support to those residing in the shelter.

To date, the project has received three levels of approval from the relevant ministries and local regulatory bodies, with expectation that construction will be completed by 2020.

- **UPAC Organizes Fun Days for Kuwait's Orphanage**
16th February 2018
16th July 2018

UPAC organized two Fun Days for Kuwait's Orphanage at Discovery Center. The first event took place on 16th February 2018 to take part of the National Day celebration activities in Kuwait. The second event took place on 16 July 2018. Both events were carried out in coordination with the Ministry of Social Affairs and Labor, who currently manage various orphanages across Kuwait.



The events catered to 31 children between the ages of 4 – 12 all of whom were given the opportunity to enjoy several activities across the mall's entertainment outlets, including Tarkeeb, Play, Cozmo Kids, Paint Ball, trampoline and Young Chef.

Accompanying the children were 11 UPAC volunteers who spent the day alongside the children and guided them throughout the various fun activities.

UPAC places great importance on social responsibility and its overall role in increasing social awareness and participating in the wider community.



- **Safe Family Secured Country - Family Violence Awareness**
20th September 2018

UPAC supported a workshop organized by the Ministry of Awqaf and Islamic Affairs to raise awareness about domestic violence. The workshop was held at Discovery Center, and was hosted by Mrs. Zainab Al Mahmoud, a research specialist on domestic violence at AMAN Social Rehabilitation and Protection Center.



The invitation was publicly announced and included discussions related to the influence of social media, cases of domestic violence and the reasons behind it. The discussion also included how ignorance, lack of education and absence of communication within the family can lead to domestic violence.



- **UPAC support NCCAL “Future Generations “Festival**
16th March 2018

In cooperation with UPAC, the National Council for Culture, Arts and Letters (NCCAL) organized a cultural and recreational day for children and their families at Discovery Center, which was held under the title "Future Generations Festival". It included a number of activities for both children and adults.

The activities included kids’ entertainment, exhibits, handcrafts, reading and story corner, photography corner as well as drawing. The festival aims to encourage cultural and artistic creativity, and encourage children to develop their skills, specially reading and listening.



- **UPAC Participates in “Birds Gathering” Exhibition**
9th March 2018

UPAC sponsored and participated in the “Birds Gathering” exhibition organized by the “Kuwaiti Awareness Team of Birds” at Discovery Center. The event aimed to raise awareness and educate the community about the importance of protecting and conserving the wildlife, especially birds.



The day included presentations and exhibits covering various species of talking birds, their environmental benefits, as well as their habitats, and laws against hunting them.

- **UPAC Organizes Entertainment Days for Special Needs Children**
15th - 17th February 2018

UPAC organized three unique entertainment days for special needs children at Discovery Center in partnership with Alnowair Nursery for Special Needs Children, a nursery accredited by the Higher Council of the Disabled in Kuwait.

Activities were designed to enhance the spirit of participation and cooperation among children through several workshops, competitions and painting to develop some skills like sensational attention and innovation. The workshop included tips for parents on how to reduce time spent by children on smart devices gradually. By the end of each day, children were presented with gifts and prizes.



- **“Sawaedna” Volunteers Organized Carnival for Special Needs at Discovery Center.**
17th February 2018



UPAC participated with “Sawaedna Volunteering Group” to sponsor a carnival event for special needs children and adults at Discovery Center. The day witnessed the participation of Discovery Center’s visitors, the Public Authority of The Disabled, the Kuwait Center for Down Syndrome, the Ministry of State for Youth Affairs and the Kuwait Center for Autism.

The carnival included several presentations and exhibitions to sell and display products made by special needs. The products presented were part of the production and innovation initiative by special needs. People enjoyed the ceremony held at Discovery Center.



- **UPAC’s Discovery Center Celebrates “Girgean”**
26th – 29th May 2018



UPAC’s Discovery Center, Kuwait’s unique recreation and family entertainment complex, celebrated Girgean by engaging in a wide range of activities for children. Girgean is a recreational activity common during the last days of the Holy month of Ramadan.

These activities were planned by different organizations in Kuwait and included cartoon shows as well as free distribution of chocolates and sweets. Children and their families also enjoyed several fun activities offered by the center in a safe and comfortable environment.

UPAC's Commitment

The annual Communication on Progress Report (COP) serves to incorporate information regarding the company's activities according to the UN Global Compact. An overview of such activities is available on the UN Global Compact's website as well as the UPAC website.

Going forward, UPAC is committed to continue to update and report on the Communication on Progress (COP) annually. Integrating the Global Compact principles into UPAC's policies and culture has provided the company with the opportunity to enhance its culture of integrity and accountability and has allowed it to continue to build upon its responsibilities towards its people, its stakeholders and its overall community.

We hope that this report succeeded in outlining the company's performance during the course of 2018 and in showcasing its commitment to uphold the ten principles of the UN Global Compact. During the coming year, UPAC aims to continue and progress its performance and activities related to human rights, labour, environment and anti-corruption.

We thank you for this opportunity and welcome any feedback to the above report.

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