



# UPAC

شركة المشاريع المتحدة  
للخدمات الجوية | ش.م.ك.ع



**United Nations**  
Global Compact

# 2023

## COMMUNICATIONS ON PROGRESS



## Table of Contents

Message from the CEO .....	3
Human Rights Principles .....	4
Labour Principles .....	8
Environment Principles.....	13
Anti-Corruption Principles .....	19
Corporate Social Responsibility .....	24
UPAC's Commitment .....	30

## Message from the CEO

As we approach the end of our tenth year communicating our progress to United Nations Global Compact, I am pleased to reaffirm that United Projects for Aviation Services KSCP (UPAC) is committed to support the ten principles of the UN Global Compact relating to Human Rights, Labor Standards, the Environment and the Fight Against Corruption. UPAC continues to adhere to these principles, as well as to its obligation in providing consistent reporting and communication to its stakeholders on an annual basis.

UPAC provides an overview of its continued commitment to the ten principles outlined in the UN Global Compact in the 2023 Communication on Progress (COP) by highlighting its relevant achievements to date through its business strategy, work culture, and daily operations. Among the accomplishments in 2023 are:

- Capital Markets Authority (CMA) Field Inspection.
- Protection of the environment by controlling Company waste and electricity consumption using Diligent/Accuvio platform.
- Reduction of the CO2 emissions under scope 2 by 58.8% and under scope 3 by 57.5 % in Q3 2023.
- Become official signatory and member of the Kuwait Women's Economic Empowerment Platform (KWEEN).
- Surveillance audit of the Quality Management System - ISO 9001:2015.
- Re-Certification of the Environmental Management Systems - ISO 14001:2015.
- Re-Certification of the Health and Safety Management System - ISO 45001:2018.
- Risk Assessment Audit conducted by Protiviti Kuwait.
- Completion of more than 15 technical and management training programs across various departments.
- Completion of more than 36 ethics and compliance trainings for all computer and non-computer users.
- Participation in various community activities to support humanitarian issues locally and globally.
- Expansion in the scope of various activities within the Company's Corporate Social Responsibility (CSR) platform to include ongoing support to UNICEF, UNHCR, UNRWA, and other NGOs.
- Opening of Snow Abu Dhabi in Reem Mall, the capital's first indoor snow park.

This report has been compiled to present the Company's achievements to date in accordance with its business strategy, work culture, and daily operations. UPAC continues to adhere to these principles, as well as to its obligation to report and communicate its annual progress to its stakeholders in a consistent and responsible manner.

Best Regards,



**Nadia Akil**  
CEO and Vice Chairperson

**HUMAN  
RIGHTS  
PRINCIPALS**



### 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.**

UPAC is committed to promoting and respecting the declared human rights principle and does not engage in activities that violate human rights. UPAC employees are required to attend mandatory Ethics and Compliance training courses during their first six months of employment. Training is conducted using examples and other real-world scenarios designed to contribute to an understanding of model behavior.

To demonstrate their understanding of good business practices, participants must pass an online test. The system allows the participant to choose between listening to a live conversation and reading a scenario script.

UPAC's management implemented a new set of training courses in 2023, in addition to the basic training provided upon joining. The courses listed below represent a new set of training courses designed for employees, both managers and non-managers.

- Antitrust & Competition Law **(New)**
- Diversity, Equity & Inclusion **(New)**
- Environmental, Health & Safety **(New)**
- Global Workplace Harassment – Employee **(New)**
- Global Workplace Harassment – Manager **(New)**
- Anti-Money Laundering
- Antitrust: Careful Communication with Competitors
- Code of Conduct: Best Practices
- Confidential Information and Intellectual Property
- Conflicts of Interest
- Conflicts of Interest booster
- Cyber Security
- Ethics Street Social Media
- Fair Labour Training – Managers
- FCPA Anti-Bribery
- Global Anti-Bribery & Corruption
- Global Cybersecurity Employee Training
- Global Data Privacy
- Global Data Protection
- Government Procurement
- Human Rights
- Insider Trading
- Preventing Sexual Harassment
- Privacy and Data Protection

- Recognizing and Avoiding Bribery
- Whistleblowing: Raising Concerns

Employees participate individually through e-learning and must pass an online exam to obtain a certification of completion.

Employees who complete the course will be issued an electronic certificate, and corporate records will be updated accordingly.

Two employees joined UPAC in 2023, and their online training completion ratio for the year was as follows:



### 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
- Code of Business Ethics and Conduct
- HR Department Scope of Work
- Introduction for Abroad Hires
- Fair Labour Practices
- Contact details for key persons
- Health and Safety Procedures
- Residency information
- Working Hours, Leave, and Official Holidays
- Performance Review Process on Transfora
- Dress Code
- Job Description
- Grievance and Disciplinary System
- Orientation to the respective Department
- Online Training

### Training and Development

The orientation process provides the employee with information related to the organization's structure, direct reporting access, whistleblowing channels, and a summary of the Grievance and Disciplinary Policy. Orientation is available in both Arabic and English.

Recruits are informed of their legal rights in both Arabic and English.

Contracts defining salary and benefits are issued in three copies to each employee: one for UPAC, one for the employee, and one for The Public Authority for Manpower, a Kuwaiti government entity. Employees must receive the necessary orientation to understand their rights and responsibilities, according to the Orientation Training and Development Policy.

UPAC is committed to paying salaries by the 25<sup>th</sup> of each month. Salaries are based on an approved grading system that defines the titles, basic pay, as well as allowances and benefits applicable to each employee.

As part of their recruitment and employee orientation training, new recruits are provided with an employee handbook which includes an overview of the Company's ethics and fair practices. During 2023, the employee handbook was revised to include additional amendments made in relation to whistleblowing policies and secured communication channels.

The Career Development Policy must be implemented by all members of the management team including line managers and supervisors. The Succession Plan and Career Development Policy was updated and approved in 2023. The Succession Plan's goal is to ensure the timely availability of a diverse and experienced pool of employees to meet key job requirements as needed.

### 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. UPAC is committed to continue to contract only with recruitment agencies that refrain from charging fees to applicants and that refuse to accept applicants under the age of eighteen (18).

UPAC is also committed to recruiting candidates from other countries through the official channels specified by local embassies and in accordance with Kuwait Labour Law. In this case, UPAC will cover all associated recruitment costs.

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

Recruitment processes continue to support the establishment of a diverse workforce and ensure that all employees and job applicants are treated fairly and in accordance with the Equal Employment Opportunity Policy.

Employee entitlements, such as salary, benefits, annual leave, vacation, and indemnity, are clearly defined in employment contracts. The annual incentives are linked to the performance evaluation review and are included in the UPAC remuneration packages for all employees. UPAC carefully screens all employees prior to hiring to ensure that applicants are over the age of 18. Religious beliefs and practices are respected and accepted within the organization, and ample time for prayer is provided during working hours. Working hours are reduced by two (2) hours per day during Ramadan, in accordance with Kuwait Labor Law, and all relevant religious holidays are respected.

### Work-Life Balance

Over the course of 2023, UPAC organized a family gathering during the Holy Month of Ramadan for all employees as well as their family members. The event took place on 29<sup>th</sup> March 2023 at the Palms Hotel & Spa and welcomes over 150 employees and their family members. The event intended to bring the team together and recognize their contributions to the company.



Employees unable to attend the Iftar due to work conflicts were provided with an open buffet station near their working location in lieu of the event. In addition, throughout the entire month of Ramadan, any employees on duty during the breaking of the fast were provided with daily Iftar meals.



During the event, employees and their families enjoyed a pleasant atmosphere where an exciting raffle draw took place. Following the event, attendees collected Ramadan gifts along with Girgeaan takeaway gift boxes for children.



In celebration of the Holy month of Ramadan, UPAC hosted an annual 'Graish' for its employees, a traditional event held in the advent of the month of Ramadan, where various homemade dishes are shared to enjoy amongst colleagues in a social gathering.



# LABOUR 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 labour.**

### Principle 5

**The effective abolition of child labour.**

### Principle 6

**The elimination of discrimination in respect of employment and occupation.**

UPAC is an Equal Opportunity Employer and prohibits discrimination and harassment of any kind. UPAC has committed itself to the principle of equal opportunities for all employees and provides them with a secure workplace free of discrimination or harassment. The Company continues throughout the year to improve its current policies and procedures.

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

All UPAC employment decisions are based on business needs, employment requirements, and individual qualifications regardless of race and color, religion, or belief, ethnic or national origin, gender, age, disability, or any other such status protected by legislation or regulations. UPAC does not tolerate discrimination of any form, harassment, inhumane treatment, including forced labor or physical punishment. UPAC promotes equality in the workplace and aims to eliminate all forms of discrimination.

Further e-learning courses focusing on maintaining workplace equality and eradicating all forms of discrimination have also been made available to all employees throughout the course of 2023. In particular, various courses on diversity, equity, and inclusion as well as global workplace harassment were made available to managers and employees throughout the year.

By the end of 2023, the Company consisted of a total of 81 employees. Out of this total, 9 are senior executives, with 3 of those positions held by women. UPAC supports women in the workplace and takes the necessary measures to understand their needs while seeking to actively support their career paths by promoting a healthy work-life balance.

On November 2023, UPAC signed onto the Women's Economic Empowerment Platform (KWEEN) becoming



an official signatory. Empowerment Platform (KWEEN). UPAC's participation in KWEEN aims to strengthen the

private sector coalition dedicated to implementing gender-smart policies and solutions aimed at fostering the growth and advancement of women in Kuwait's private sector.

### Revision of Policies and Procedures

All internal Human Resources policies were approved in 2015 and have consistently since been reviewed and updated every two years. The most recent review of all HR policies and procedures was completed in July 2023, including an amendment to the Equal Employment Opportunity Policy, to ensure compliance with the changes made to the Corporate Governance Framework and any other relevant changes made to various pertinent regulations outlined by the Capital Markets Authority (CMA).

In 2023, the CEO revised and approved the Succession Plan and Career Development Policy. One of the goals of the Succession Planning process is to identify and plan for the timely availability and of a diverse and experienced pool of employees to meet critical job requirements as and when they arise. The Career Development Policy must be implemented by all members of the management team, as well as supervisors.

Following the same pattern, UPAC signed off the Finance Department Policies and Procedures during the course of 2019. The Finance Department policies have been since reviewed and updated in September 2023. The policies address the necessary relevant International Financial Reporting Standards (IFRS) and Generally Accepted Accounting Principles (GAAPs) to ensure compliance with both local and international laws and to ensure stronger financial controls. The various policies cover the following subjects:

- Accounts Payables

- Accounts Receivable and Bad Debts Process
- Cash Management and Bank Reconciliation
- External Audit Process
- Fixed Assets
- Inventory
- Petty Cash Process
- Revenue Recognition
- Management of Information Reporting
- Annual Budgeting Process

**Other Department Policies and Procedures**

During 2023, the Legal Department and Business Development Department reviewed and signed off their policies. The Compliance Department considered reviewing the CMA requirements and regulations and reflected the same on the Corporate Governance Policies during 2023. The policies were signed off by Department Heads and the CEO to create a clear pathway for all departments on how to handle business opportunities and legal cases, including responsibilities, obligations, and rights.

Additional policies and procedures were introduced that integrate several departments:

- Business Continuity Policy and Plan
- Emergency Policy and Plan

**Collective Bargaining**

UPAC employees are free to participate in the political process in their private capacity, provided it does not violate the principles set out in the Code of Business Ethics and Conduct.

There is no common practice of collective bargaining in the State of Kuwait, additionally, private sector labor laws limit employees’ scope for collective bargaining; however, anti-union discrimination and employer interference with union functions is prohibited under the law.

Following the approved Corporate Governance Framework and HR policies, employees are provided with different channels for expressing views, providing feedback, and raising concerns. The Company also worked to expand the channels available for employees to address their concerns to management in a formalized manner.

UPAC promotes an open, equitable, and transparent work environment. As such, various formal channels

have been established to enable employees to confidentially communicate their concerns and grievances to management. These platforms are outlined below:

- UPAC Customer Complaint Email [customer.feedback@upac.com.kw](mailto:customer.feedback@upac.com.kw)
- UPAC Whistleblowing Email [whistleblowing@upac.com.kw](mailto:whistleblowing@upac.com.kw)
- UPAC Suggestion Box

During this year, UPAC introduced a new reporting method in order to expand the available channels for employees to address their concerns using the following QR code:



UPAC strives to meet the highest standards of business conduct and ethics both internally within the organization and externally with respect to its customers, suppliers and other related third parties. Having said that, all employees must abide by these ethical standards and comply with these regulations when conducting business.

UPAC undertakes to conduct its business fairly and in full compliance with all applicable laws and regulations.

**Employees Recognition**

Employee promotions and increments are based on certain key performance indicators and relevant job qualifications. During 2023, five employees were promoted to more senior positions, and 32 employees received an increment to match the new grading structure approved by UPAC.

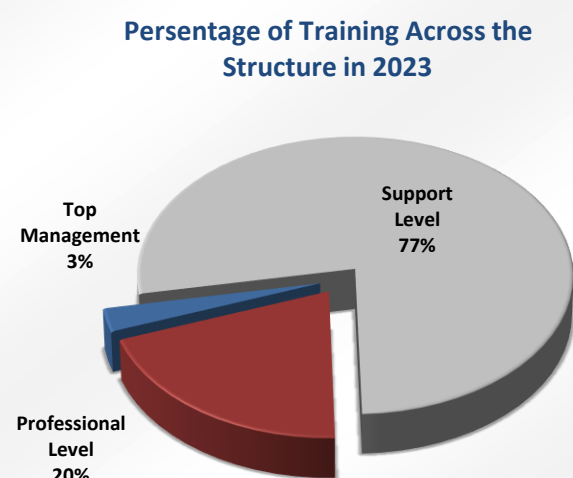
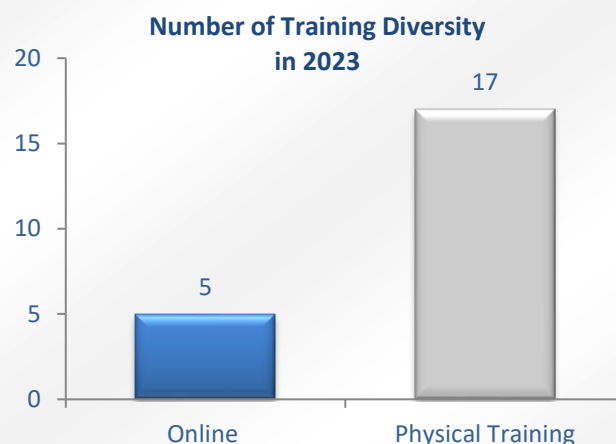


## Training and Development

In 2023, UPAC invested over USD 8,000 in training and development programs. The investment was coordinated with international bodies to ensure that quality-assured services are provided and has helped to improve the knowledge and skills of employees at all levels within the Company.

Structured, e-learning, online, and on-job trainings are an ongoing process at UPAC, and in 2023 the Company provided the below intensive training programs covering the following topics:

Training Description	# of Participants
Understanding Control Drawing	14
Chiller and DX Unit Operation	15
PLC Hardware Configuration	5
Inventory Management	5
Communication Skills	15
Generator mechanical and Electrical control	12
Time Management	14
Behavior-Based Safety (OHSMS)	7
Develop and Enhance the Capacity of Legal Managers	1
Certified First Aid Trainer	6
"ISO 45001:2018 Occupational Health & Safety Management Systems	6
Internal Auditor Training Course"	2
QHSE Risk Assessment	36
Quality Management System	36
CCTV Configuration	9
Product Innovation	2
Communication, Coordination, and Leadership	1



## The Equator Principles and Human Rights

UPAC signed an agreement to partner with Al Farwaniya Property Developments (AFPD) to develop Abu Dhabi's Reem Mall. The 10 Equator Principles (EPs) have been implemented in all aspects of Reem Mall's project.

The Equator Principles are defined as a set of voluntary guidelines adopted by financial institutions to ensure that large-scale development and construction projects appropriately consider the associated potential impacts on the natural environment and community.

One of the Equator Principles seeks to fulfill the responsibility to respect human rights following the United Nations Guiding Principles, specifically Human Rights. This is accomplished by performing due diligence on the Project's personnel working at Reem Mall.



These principles are followed by AFPD and subcontractors alike, and they are incorporated into all forms of contracting. Multiple parties, including AFPD, rigorously check all tendering and employment methodologies to ensure that compulsory work, corruption, and bribery are prevented. Reem Mall also adheres to the Agility Corporate and Social Responsibility directives, and the project is audited on a biannual basis.

### Star Employee of The Month

The Star Employee of the Month (SEOM) program is designed to honor exceptional employees who exemplify the organization's standards of excellence in performance, behavior, and values.

The SEOM event is held monthly and is designed to recognize employees and site workers who have consistently demonstrated their dedication to upholding the highest levels of quality and safety on site. The award symbolizes the Company's commitment to recognizing top performers and achievers.

Each month, the details of the winner of the SEOM is displayed on the company's recognition board for a period of 12 months.



The SEOM Committee is composed of three members: one from the HR Department, one from the supervisory level, and one from the support level. The SEOM Committee seeks to recognize employees who demonstrate exceptional achievement and contribution on the job, both individually and collectively, by going above and beyond their regular responsibilities to contribute to the creation of a more efficient and inclusive workplace for coworkers and customers.



The SEOM program recognizes employees whose efforts have inspired and supported others in their performance and achievements. The program winner receives a small financial reward and is presented with a plaque to commemorate their achievement, which is then displayed within the Company premises.

# ENVIRONMENT PRINCIPLES



### 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

UPAC has committed to continuing to collaborate with a variety of environmentally conscious organizations and to enhancing sustainable activities that encourage environmental engagement and support. As a responsible company, UPAC aims to minimize environmental impact and increase efforts to promote various forms of environmental and social sustainability.

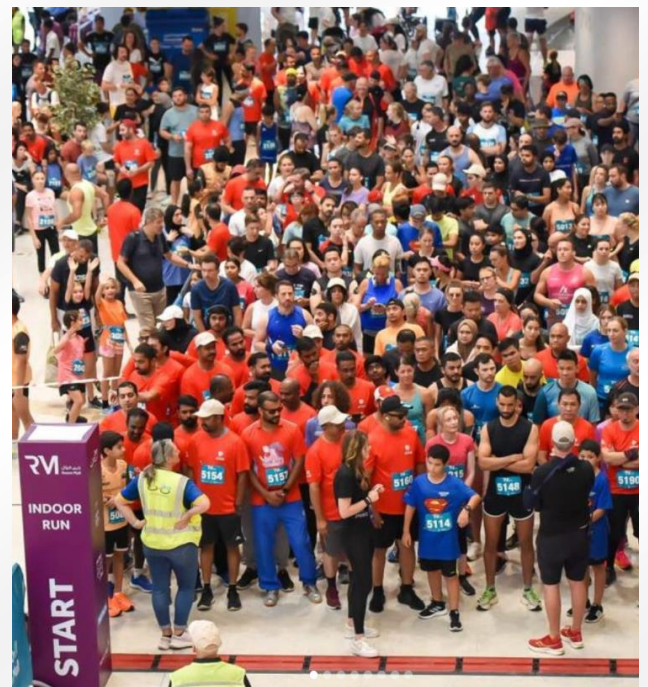
Various environmental enhancements have been implemented within the company's projects, one of which is within the Reem Mall development in Abu Dhabi. Reem Mall has been awarded an Estidama 2 Pearl Design Rating by the Abu Dhabi Urban Planning Council (UPC).

Estidama is a significant urban development initiative spearheaded by the UPC. Its mission is to promote rational and responsible development by establishing a balanced society founded on four equal pillars of sustainability: environmental, economic, social, and cultural.



Reem Mall is constructed under Estidama 2 Pearl Rating and is eco-friendly with regard to material choice and waste management. The Equator Principles previously discussed include requirements for environmental and social assessments that Reem Mall should follow and adhere to.

In June and September 2023, Reem Mall hosted two events promoting health and wellness in our community (Reem Mall Run 1 & 2). An estimated 1,400 runners joined each of these events which covered a diverse range of participants in terms of age groups, nationalities, and ethnicities.

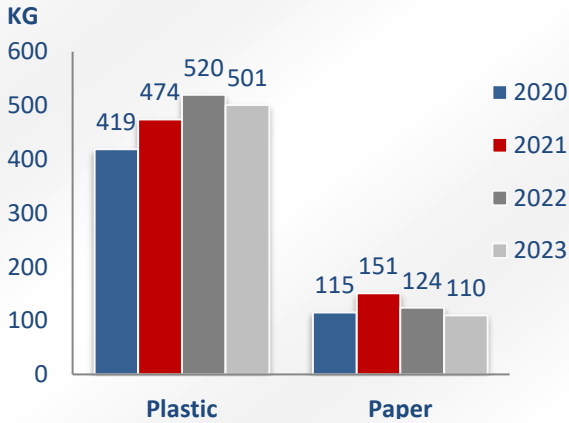


Since the launch of the 'Go-Green' initiative in 2014, UPAC has consistently supported and improved the program. Since 2016, UPAC has partnered with Omniya Plastic Recycling to collect and recycle all types of plastic waste.

UPAC regularly promotes energy conservation and environmental protection amongst employees by applying the following:

- Spreading awareness between employees of the importance of environmental protection and energy conservation.
- Sharing reminder memos to turn off all electronics (including lights, laptops, PCs, and other electronics) daily at the end of each working day.
- Verbally addressing these issues to employees on an individual basis.

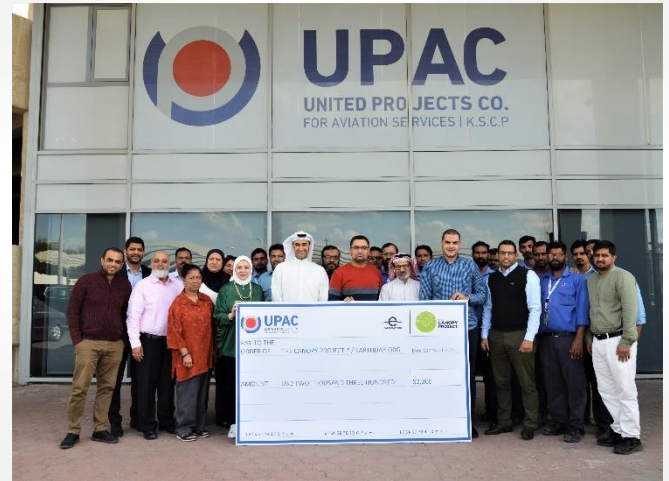
**Recycled Material 2020 - 9/2023**



UPAC conducts ongoing training sessions to ensure adequate protection and to assist in the prevention of hazardous incidents. In order to protect those who come into contact with hazardous materials, all employees are provided with appropriate Personal Protective Equipment (PPE) such as overalls, gloves, eyeglasses, hearing protection, reflective vests, and safety shoes.

This year's Earth Day activity was part of a wider range of socially responsible initiatives dedicated solely to the environment. UPAC organized various events during March and April to celebrate both International Forest Day (21<sup>st</sup> March) and Earth Day (22<sup>nd</sup> April).

International Forest Day was celebrated as part of the "Let's Make It Green" campaign. This year, the Company partnered with The Canopy Project, a global partner invested in planting trees across global strategic locations, working to ensure a direct and positive impact on climate-affected areas.



The Canopy Project collaborates with various global partners to reforest areas that are in desperate need of rehabilitation and are at risk of environmental degradation. Since 2010, EARTHDAY.ORG™ has planted tens of millions of trees with The Canopy Project, working worldwide to strengthen communities.

UPAC employees were involved in raising funds for The Canopy Project, with the company pledging to match the total donations raised.

In addition, UPAC continues to contribute to the environment through

its in-house recycling program, which is carried out on site in partnership with Omniya for Plastic Recycling. Special bins have been allocated at the company's head office in order to collect all recyclables, which are then collected by Omniya for recycling.

UPAC has pledged to continue working with various environmental organizations to further its commitment to reducing its overall environmental footprint by supporting various socially responsible activities that have a positive impact on the environment.



## Reem Mall Adopted the Equator Principles



Since the implementation of the Equator Principles at Reem Mall, Al Farwaniya Property Developments (AFPD), the developer of Reem Mall, made sure that its contractor and all subcontractors comply with these principles.

Reem Mall has always strived to go beyond the minimum required level of sustainability. Highly insulating and high-performance materials, as well as highly efficient air conditioning and lighting systems, have been carefully studied and designed for the walls, roof, and glazing.



Another critical factor to consider is Reem Mall's water consumption. The design incorporates efficient irrigation systems and equipment to help the building consume less potable water. Since 2016, robust sustainability measures have been incorporated into the construction phase as well. At least 70% of onsite wastewater is recycled, and 20% of material is sourced within 500 kilometers of the project, significantly reducing travel distance and associated air pollution.

The Equator Principles have been adopted by Reem Mall. This standard is used by the financial industry to determine, assess, and manage environmental and social risks associated with projects. Reem Mall stakeholders, from the AFPD to subcontractors, adhere to these standards, which are incorporated into all contract documents. These activities contribute to the achievement of the United Nations Sustainable Development Goals' objectives and outcomes.

On June 7<sup>th</sup>, 2023 - Reem Mall and Majid Al Futtaim Entertainment celebrated the opening of Snow Abu Dhabi, the capital's first indoor snow park, which underscores its commitment to delivering innovative family-friendly experiences for guests across the MENA region.



The inauguration ceremony was attended by His Excellency Saleh Mohamed Al Geziry Director General of Tourism, Department of Culture and Tourism, Abu Dhabi; Ignace Lahoud, Chief Executive Officer, Majid Al Futtaim Entertainment; Mohammad El Etri, Vice President, Global Snow, Majid Al Futtaim Entertainment; Faisal Sultan Al Essa, Chairman of the Board, Al Farwaniya Property Developments LLC; and Nadia Akil, Vice Chairman of the Board, Al Farwaniya Property Developments LLC.

Located in the heart of Reem Mall, Abu Dhabi's signature retail, leisure, dining and entertainment destination, Snow Abu Dhabi covers a sprawling area of 9,732 sqm. Storytelling is integrated into the design with an Enchanted Forest theme, which resembles a playful frost-covered world.





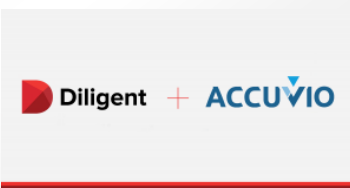
The highly anticipated destination features more than 20 rides and attractions such as the Crystal Carousel, Polar Express Train, Flight of the Snowy Owl, Snowflake Garden and Enchanted Tree, where guests can look forward to a whole host of snowy adventures throughout the year such as sledding, carousels, zorbing, and zip-lining. Complementing the experience, Snow Abu Dhabi has three F&B outlets where guests can enjoy a wide variety of delicious snacks and dishes surrounded by real snow.

In June and September 2023, Reem Mall hosted two events promoting health and wellness in our community (Reem Mall Run 1 & 2). An estimated 1,400 runners joined each of these events which covered a diverse range of participants in terms of age groups, nationalities, and ethnicities.



## Digital Transformation

Since 2022 and during 2023, we have continued using Diligent/Accuvio as the sustainability software solution. UPAC has used the same to report the environmental performance and compliance with local and international requirements.



The solution consists of a single IT platform that all Agility subsidiaries may utilize for the sake of

sustainability program management and reporting. The application is used to help improve reporting procedures and manage the environmental, social and governance issues in each of the business's groups.

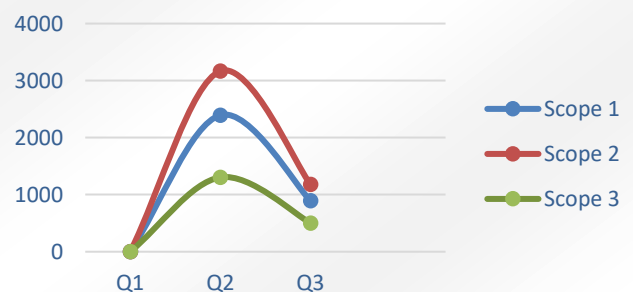
Ideally, the solution will enable the Company to identify ESG goals and monitor KPIs in the system. The reporting of such information will ensure that the Company will be able to track progress against set goals, as well as progress assist with better reporting standards.

Environmental sustainability is the ability to maintain an ecological balance in our planet's natural environment and conserve natural resources to support the well-being of current and future generations. Emissions play a crucial role in sustainable development since they are the primary cause of climate change, which has a significant impact on the environment.

Emissions are connected with many sustainable development goals (SDGs) set by the United Nations. During 2023, the following statistics show UPAC's commitment to control all types of emissions resulting from the Company's activities.

Environmental Data	Q1	Q2	Q3
% of headcount covered by CO2 reporting	6.00%	6.00%	6.00%
Scope 1 CO2 mt	1.53	1.01	1.02
Scope 2 CO2 mt	2,393.28	3,166.54	1,304.09
Scope 3 CO2 mt	895.18	1,184.26	503.37
<b>Total CO2 mt</b>	<b>3,290.05</b>	<b>4,351.89</b>	<b>1,808.54</b>

### Environmental Data 2023

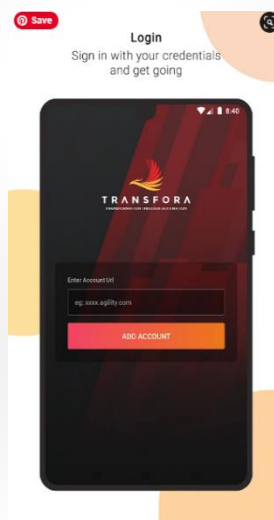


During 2023, UPAC implemented an upgraded version of the existing Transfora application to a newer version called Transfora vNext. Transfora vNext includes an automated process management system, enabling users to model, implement, monitor, and optimize

processes and transactions such as the processing of employees' leaves, contracts approval, issuance of visas, procurement, supplier evaluations and the approval of IT license fees.

The system helps to improve productivity, efficiency and to reduce paper printing which is important for environmental sustainability. UPAC continues to use the same system to conduct the end-of-the-year and mid-year performance reviews.

In 2023, UPAC continued moving toward adopting a fully comprehensive digital environment by automating more and more of its business and administrative processes through Transfora. The team relaunched the Transfora mobile app in 2021 and upgraded the system in 2023 to include additional processes and options which provide users with additional accessibility, visibility, and efficiency.



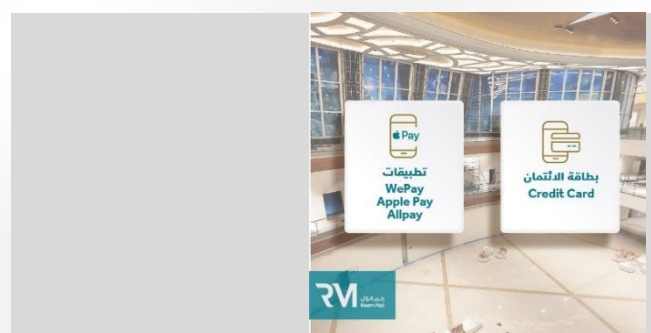
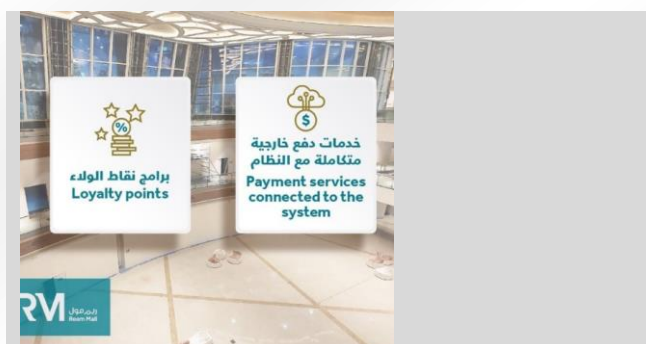
The app allows the user to manage all Transfora requests anytime, anywhere. The app includes the personal Transfora inbox, all department processes, and a mobile-friendly version of any forms submitted. The Transfora platform encompasses more than 150 processes across Agility and its subsidiaries, including HR, finance, marketing, quality, legal, administration, and operations. Transfora streamlines any process, from leave requests to employee onboarding to contract management. As a result, workflow is more efficient.

In addition, a secured network was developed to enable employees to access UPAC's systems allowing them to work from home in case of emergencies. Other measures to facilitate remote working were also provided to employees, these include the Transfora mobile application for online request processing, corporate virtual meeting tools, internet connections, flexible working hours, and emergency hotlines.



Reem Mall developed an aggregated application with a built-in e-commerce platform, and other digital services such as parking navigation, hands-free shopping, and a digital wallet.

The app is set to revolutionize the shopping experience for consumers and retailers alike. The philosophy at Reem Mall has always been to keep innovating, adapting, and maintaining a strong digital approach to retail.



**ANTI-  
CORRUPTION  
PRINCIPLES**



### 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 retain the reputation of the Company. UPAC promotes honesty, integrity, and equality in all aspects of its business and expects the same in its relationship with all those with whom it conducts business.

### Code of Conduct and Business Ethics

UPAC has approved the Code of Business Ethics and Conduct policy 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's Code of Business Ethics and Conduct reflects 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 while interacting with customers, suppliers, subcontractors, and competitors.

UPAC employees are required to comply with internal rules on the prevention of bribery and corruption in interactions between government officials and private individuals. It is also required that external consultants comply with the same internal policies as the Corporate Governance Framework.

The Code is available to all employees on the Company [website](#) and is also covered within the employee handbook. Both employees and the Board of Directors are governed by the Code and Conduct, and the code conforms to the corporate governance framework.

The induction program for new recruits at UPAC educates employees on the importance of corporate ethics, values, and business conduct. When new employees are hired, they are given a copy of the Code of Business Ethics and Conduct and are required to sign it as acceptance and acknowledgment.

### Recognizing and Avoiding Bribery

UPAC's 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.

During 2023, employees and board members participated in various tailored e-learning sessions organized by SAI Global Company and Percipio Learning Management System (LMS), in compliance with the Corporate Governance Framework.

The training was customized to the executive level to address various scenarios related to diversity, equity, and inclusion as well as ethical business practices, antitrust and competition laws.

Name	Description
Diversity, Equity & Inclusion	This course aims to promote awareness and understanding of how people with different backgrounds, cultures, ages, races, genders, sexualities, religions, physical conditions, and beliefs can best work together.
Environmental, Health & Safety	This course aims to create awareness of various laws, rules, regulations, programs, and workplace efforts to protect the health and safety of employees as well as the public and environment from various hazards associated with the workplace.
Global Workplace Harassment – Employee	This course aims to foster a workplace culture that is free of sexual harassment and discrimination and seeks to educate employees on identifying and reporting workplace harassment.
Global Workplace Harassment – Manager	This course aims to foster a workplace culture that is free of sexual harassment and discrimination and seeks to educate managers on identifying and reporting harassment in the workplace.

Name	Description
Antitrust and Competition Law	This course aims to help the organization manage and minimize the risk of violations, and ensure employees, at all levels, understand their responsibility to recognize antitrust red flags.

UPAC undertakes to provide up-to-date, accurate, and reliable information. All data or information submitted to public officials or other third parties is up to date, accurate and reliable. UPAC makes no payments to political parties, organizations, or their representatives.

UPAC and its subsidiaries follow the approved Tendering Procedure in all their projects. The tendering procedure stipulates specific criteria for pre-qualification and selection of tender winners that must be met. The invitation to an envelope opening meeting ensures that tenders submitted by subcontractors (including the Abu Dhabi Reem Mall Project) impose strict controls to prevent corruption.

All procurement and employment processes for Reem Mall are rigorously vetted by multiple parties, including AFPD, to ensure that corruption and bribery are avoided. Additionally, AFPD has ensured that each subcontract work contains a back-to-back clause transferring this obligation to all subcontractors and sub-consultants.

### International Accreditation

#### Integrated Management System



In October 2023, UPAC successfully passed the surveillance audit requirements for the ISO 9001:2015 - Quality Management Systems (QMS), the re-certification requirements for ISO 14001:2015 - Environmental Management System (EMS), and the re-certification requirements for ISO 45001:2018 - Occupational Health and Safety Management System by SGS Kuwait. The certifications were done by Société Générale de Surveillance (SGS) Kuwait.

Certificates were awarded following a comprehensive site audit of all UPAC operated facilities at Kuwait International Airport and in recognition of its implementation of environmental and safety management systems, as well as its continuous efforts to uphold and develop its quality management standards.

These certificates reflect UPAC 's dedication to provide the highest level of quality, safety, and environmental management. It further credits UPAC 's role in the local and regional markets as a leading real estate and facilities management company. Certificates are awarded by the United Kingdom Accreditation Service (UKAS), the only national accreditation body recognized by the British Government.



### Corporate Governance

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

UPAC's BOD has adopted a sound Corporate Governance Framework that improves the overall governance environment and is in line with the applicable corporate governance practices, laws, and regulations. During 2023, the Corporate Governance Framework has been reviewed and updated.

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 the 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 overall risks of the Company are identified, managed, and rectified effectively. Risk identification involves existing or potential risks. UPAC's BOD ensures that sufficient management resources are allocated to identify, assess, and take appropriate action on related 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 assures 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 2023, 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:

- A surveillance audit was conducted for ISO 9001.
- Re-certification audit was conducted for ISO 14001:2015.
- Re-certification audit was conducted for ISO 45001:2018.
- Capital Markets Authority (CMA) Field Inspection.
- Risk Assessment Audit conducted by Protiviti Kuwait.
- Internal Control Audit conducted by Grant Thornton Kuwait
- Financial Audits conducted by Ernst & Young Kuwait.
- Quality Assurance Review Report (QARR) by Baker Tilly.
- Internal Audits conducted by Agility Kuwait.

Access to the full Corporate Governance Report for 2022 is available on this [link](#).

## Board of Directors Meetings

The BOD held a total of six meetings during the course of 2023. 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
2021	6
2022	6
2023	6

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 28<sup>th</sup> June 2016, following the approval from the CMA to merge the Board Risk Committee and the Board Audit Committee.

The Board Risk and Audit Committee has been restructured in November 2017 to meet the requirements of the Capital Market Authority.

The below schedule indicates the progress of the Board Risk and Audit Committee (BRAC) meetings as of 15<sup>th</sup> November 2023:

Board Risk and Audit Committee (BRAC)	
Year	Number of Meetings
2021	4
2022	4
2023	6

## Board Nomination and Remuneration Committee (BNRC)

The BNRC was formed pursuant to a Board Resolution dated 10<sup>th</sup> November 2016. The below schedule indicates the progress of the Board Nomination and Remuneration Committee (BNRC) meetings as of 15<sup>th</sup> November 2023:

Board Nomination and Remuneration Committee (BNRC)	
Year	Number of Meetings
2021	1
2022	1
2023	1

**CORPORATE  
SOCIAL  
RESPONSIBILITY**





## CORPORATE SOCIAL RESPONSIBILITY (CSR)

As a socially responsible organization, UPAC has designed and participated in various CSR initiatives throughout the year that supports individuals, families, NGOs, and communities both locally and internationally. UPAC has always placed importance on its social commitments.

CSR initiatives during the year included volunteering, fundraising, donations, and sponsorship.

### UPAC Supports UNRWA's Campaign "Education for Palestine Refugee Students"

11<sup>th</sup> May 2023

UPAC joined forces with UNRWA to support the United Nations Relief and Works Agency (UNRWA) in their campaign "Education for Palestine Refugee Students" to support Palestinian refugee students.

The ongoing economic crisis has created challenging social and living conditions for these students, many whom typically resort to dropping out of school in order to assist their families with the high cost of living.

In light of our continued efforts to uphold social responsibility, we have joined forces with the UNRWA to support this cause. UNRWA program aims to raise funds to provide some support to students, parents, and the community.



Through this campaign, UPAC's employees were able to participate by providing support by way of cash donations that were matched dollar for dollar by the Company.

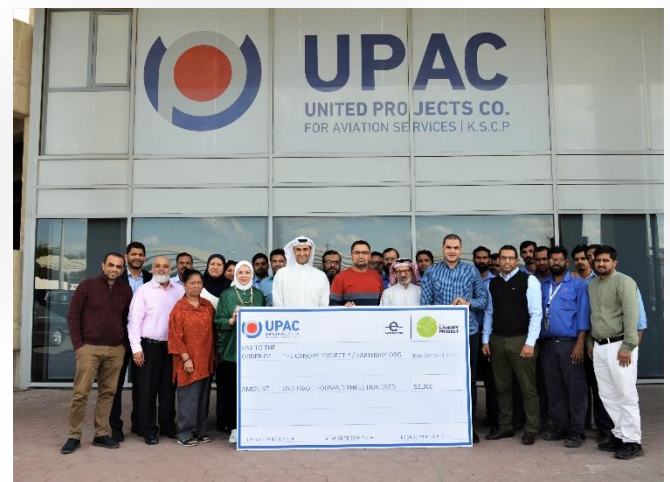
### UPAC Celebrates Earth Day - The Canopy Project.

21<sup>st</sup> March and 22<sup>nd</sup> April 2023

UPAC has organized various events during the months of March and April to celebrate both International Forest Day (21<sup>st</sup> March) and Earth Day (22<sup>nd</sup> April).

International Forest Day was celebrated as part of the "Let's Make It Green" campaign. This year, the Company partnered with The Canopy Project, a global partner invested in planting trees across global strategic locations, working to ensure a direct and positive impact on climate-affected areas.

The Canopy Project collaborates with various global partners to reforest areas that are in desperate need of rehabilitation and are at risk of environmental degradation. Since 2010, EARTHDAY.ORG™ has planted tens of millions of trees with The Canopy Project, working worldwide to strengthen communities.



UPAC employees were involved in raising funds for The Canopy Project, with the company pledging to match the total amount raised. A total of \$2,300 has been donated to The Canopy Project.

UPAC has pledged to continue working with various environmental organizations to further its commitment to reduce its overall environmental footprint by supporting various socially responsible activities that have a positive impact on the environment.

## Machla Donation During Ramadan March and April 2023

UPAC joined forces with Agility to run a charitable meal distribution program in coordination with “The Basket”; a voluntary group that supports with distribution of meals to underprivileged families in Kuwait during the month of Ramadan.

Nearly 570 meal boxes were distributed to help feed more than 3,400 individuals through a daily Iftar meal program and a Machla donation box distribution.



The campaign began one month before the first day of the Holy Month of Ramadan. “The Basket” helped in the packaging and distribution of the Machla boxes, which were then donated to almost 400 families in need.



## UPAC Supports UNICEF’s Campaign “Libya Floods Emergency” 8<sup>th</sup> October 2023

UPAC joined forces with United Nations International Children's Emergency Fund (UNICEF) to support the “Libya Floods Emergency ” campaign which aims to raise funds to assist thousands of families and children affected by the devastating Libya flood that began on September 11.



UNICEF’s campaign raised funds to reach vulnerable communities, including children, in order to provide them with food, water, shelter, and other humanitarian help. UPAC employees were involved in raising funds for the cause, with the company pledging to match the total amount raised.

## UPAC Supports UNHCR Campaign #WarmTheirHearts. 19<sup>th</sup> January 2023

UPAC initiated a 30-day fundraising campaign to support UN High Commission for Refugees (UNHCR) Campaign #WarmTheirHearts “Help Refugee Families Stay Warm This Winter” to provide food, shelter, water, medical care, and resettlement assistance to refugees in the Middle East and North Africa.



According to the UNHCR, more than 80% of refugees and internally displaced families live in extreme poverty, with extreme weather conditions putting many families, children, and the elderly at risk.

Throughout the campaign, UPAC employees were able to contribute by making cash donations or physical donations in the form of mattresses, and fleece blankets, heaters, and a variety of other forms of warm clothing. The Company matched all employee donations dollar for dollar.

## Breast Cancer Awareness Campaign.

1<sup>st</sup> – 31<sup>st</sup> October 2023

As part of the "Let's Tie One More Ribbon for Breast Cancer" campaign launched in October 2020 and continued to 2023, UPAC employees were offered preferential rates for early screening visits to private hospitals. Preferential rates were provided by New Mowasat Hospital, Al Salam International Hospital, and Taiba Hospital.



**Let's Tie One More Ribbon for Breast Cancer**

You are invited to avail these limited offers and save on early breast cancer screenings.  
Spread the word, early detection saves lives.



**BREAST CANCER SCREENING OFFERS**

New Mowasat Hospital 50% Discount	Al Salam International Hospital 50% Discount	Taiba Hospital KD 40
<p>Offer includes:</p> <ul style="list-style-type: none"><li>• Mammogram</li><li>• Sonomammography</li><li>• Breast Ultrasound</li><li>• Tumor Markers</li></ul> <p>Sunday to Thursday Cash patients only Booking is required</p> <p>Contact details: 1826666</p>	<p>Offer includes:</p> <ul style="list-style-type: none"><li>• Mammogram</li><li>• Breast Ultrasound</li><li>• Cervical Smear</li></ul> <p>Sunday to Thursday Booking is required Cash payments only</p> <p>Contact details: 1830003</p>	<p>Offer includes:</p> <ul style="list-style-type: none"><li>• Mammogram</li><li>• Breast Ultrasound</li></ul> <p>Sunday to Thursday Booking is required Cash payments only</p> <p>Contact details: 1808088</p>

All offers are valid only until end of October 2023

The campaign's goal is to raise awareness about the causes and risk factors of breast cancer, self-examination, clinical manifestations, early detection, stage of breast cancer, preventive methods, and treatments.

## Graish Tradition Celebration.

21<sup>st</sup> March 2023

In celebration of the Holy month of Ramadan, UPAC hosted an annual 'Graish' for its employees, a traditional event held in the advent of the month of Ramadan, where various homemade dishes are shared to enjoy amongst colleagues in a social gathering.



## UPAC Celebrates Ramadan with its Employees.

29<sup>th</sup> March 2023

UPAC organized a family gathering during the Holy Month of Ramadan for its employees and their families at Palms Hotel & Spa.



The event took place on 29<sup>th</sup> March 2023 and welcomed over 150 employees and their family members. The event intended to bring the team together and recognize their contributions to the company.

Employees unable to attend the Iftar due to work conflicts were provided with an open buffet station near their working location in lieu of the event. In addition, throughout the entire month of Ramadan, any employees on duty during the breaking of the fast were provided with daily Iftar meals.

During the event, employees and their families enjoyed a pleasant atmosphere where an exciting raffle draw took place. Following the event, attendees collected Ramadan gifts along with Girgeaan takeaway gift boxes for children.



## UPAC Supports UNICEF's Campaign "Earthquakes Emergency"

14<sup>th</sup> February 2023

UPAC joined forces with United Nations International Children's Emergency Fund (UNICEF) to support families and children affected by the earthquake in Syria-Turkey.

Thousands of families and children have been impacted by a major earthquake that struck several cities and towns of the Syria-Turkey border on 6<sup>th</sup> February 2023 where lives have been lost and millions of others have been left homeless in need of food, water, heat, shelter, and other humanitarian help.



Through this campaign, UPAC's employees were able to participate by providing support by way of cash donations that were matched dollar for dollar by the Company.

## UPAC Supports UNICEF's Campaign "Children in Gaza Desperately Need Lifesaving Support".

15<sup>th</sup> October 2023

UPAC joined forces with United Nations International Children's Emergency Fund (UNICEF) to support Palestinians in Gaza.

Over the course of the past few months, thousands of innocent Palestinian families, including women and children, have reportedly been killed with thousands more injured and displaced, leaving them in a dire situation in need of food, water, electricity, and medical treatment.



Over the last few years, UPAC has supported a variety of charity programs that aim to further benefit communities at different levels.

Throughout this campaign, UPAC's employees were able to participate by providing support by way of cash donations that were matched dollar for dollar by the Company.

**Reem Mall collaboration with Make a Wish Foundation**  
23<sup>rd</sup> August 2023


The “Make a Wish” Foundation, in cooperation with “Reem Mall” and “Snow Abu Dhabi” together with “ADNOC” company volunteers welcomes children facing medical or other difficulties into an environment where ‘wishes’ may come true. In this case, the “Make a Wish” foundation welcomed 11 -year -old Muhammad, who suffers from diabetes, into the Snow Park for a day of fun and games. The foundation gifted Muhammed his requested PlayStation, striving to make his ‘wish’ come true.



**Reem Mall Raises Awareness about Breast Cancer**  
5<sup>th</sup> Oct 2023

Reem Mall has announced several initiatives to raise awareness within the community to raise breast cancer awareness during the month of October.

The mall has collaborated with a lineup of health, wellness, and lifestyle brands to drive the cause further during Pink October. These include tenants such as Mediclinic, Bin Sina, Al Majed Oud, Medicina, WOW Salon, Supercare Pharmacy, K-Lynn, Sunglass Hut, Tips & Toes, FitnGlam, and Al Jaber Optical.



**September 30**  
Women’s International Motorcycle Association ride for a cause parade.

---

**October 5**  
Live floral art construction crafting by the globally renowned award winner florist Adam Afara, from **10 AM - 1 PM**, Main Atrium Ground Floor.

---

**October 5 to 12**

- Free checkups at “Mediclinic - Reem Mall” and discounted Mammograms vouchers.
- A series of complementarities offered at various stores in Reem Mall.

In order to drive the cause of well-being further, Reem Mall has entered a strategic partnership with the renowned healthcare provider, Mediclinic, to offer free checkups, health information, and educational materials, including discount vouchers for mammogram tests. Visitors were able to gain valuable insights into early detection, and prevention measures, as well as the importance of regular screenings.



## 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.

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

We hope that this report succeeds in outlining the Company's performance in 2023 and in demonstrating its commitment to upholding the ten principles of the UN Global Compact. In the coming year, UPAC aims to maintain and advance its human rights, workplace, environment, and anti-corruption activities.

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

[www.upac.com.kw](http://www.upac.com.kw)