



Corporate Responsibility Principles in Accordance with the UN Global Compact, Strengthening the "Green" Strategy

1. Introduction

UBC Holding formally reaffirms its full commitment to the ten fundamental principles of the United Nations Global Compact (UNGC), covering human rights, labor relations, environmental responsibility, and anti-corruption. This document deeply integrates these principles into the foundation of the company's corporate strategy, with a special emphasis on environmental sustainability and "green" transformation as key drivers for achieving comprehensive ESG (Environmental, Social, Governance) goals.

- Human Rights: The company guarantees zero tolerance for discrimination, forced labor, and violations of freedom of association, implementing regular training and monitoring mechanisms.**
- Labor Practices: Ensures safe working conditions, fair compensation, and employee skill development through continuous learning programs.**
- Environmental Component: Includes concrete initiatives such as transitioning to renewable energy, adopting carbon footprint reduction technologies, optimizing water usage and waste recycling systems, and strict oversight of environmental standards in the supply chain.**
- Anti-Corruption: Implements transparency policies, anti-corruption training for staff, contract audits, and anonymous whistleblowing channels. All measures are systematically aligned with ESG strategy:**
- Environmental actions focus on climate impact reduction.**
- Social actions prioritize inclusivity and employee well-being.**
- Governance actions emphasize ethical leadership and stakeholder accountability, including regular publication of verified progress reports.**



2. UN Global Compact Principles and Their Implementation at UBC

The UN Global Compact (UNGC) is an international initiative uniting businesses to uphold ten universal principles in human rights, labor, environment, and anti-corruption. UBC, as a signatory, implements these through concrete measures.

2.1 Human Rights (Principles 1–2)

PRINCIPLE 1: Support for International Human Rights Norms

UBC demonstrates commitment through:

- **Due Diligence in Supply Chains:**
 - o **Regular supplier assessments against the Universal Declaration of Human Rights and UN Guiding Principles on Business and Human Rights.**
 - o **Risk mapping to identify high-risk regions/industries (e.g., extractive sectors).**
- **Employee Training:**
 - o **Mandatory human rights training for managers and procurement teams, including case studies on forced labor and discrimination.**
 - o **Biannual e-learning courses with knowledge testing.**

PRINCIPLE 2: Non-Complicity in Human Rights Violations

UBC mitigates risks through:

- **Strict Partner Selection:**
- **Requirements for OECD compliance, including litigation history checks.**
- **Contractual clauses allowing termination upon human rights violations.**
- **Value Chain Monitoring:**
- **Annual independent third-party audits of suppliers in Asia and Africa.**
- **Public disclosure of audit results.**



2.2 Labor Relations (Principles 3–6)

PRINCIPLE 3: Freedom of Association and Collective Bargaining

- **Guaranteed right to form unions without persecution.**
- **Quarterly management meetings with labor representatives to discuss working conditions.**

PRINCIPLE 4: Eradication of Forced Labor

- **Prohibition of document retention and forced overtime.**
- **Anonymous employee surveys at production sites.**

PRINCIPLE 5: Abolition of Child Labor

- **Age verification via birth certificates/passports.**
- **Collaboration with local authorities to monitor employee families in high-risk regions.**

PRINCIPLE 6: Elimination of Discrimination

UBC's actions:

- **Diversity KPIs:**
- **Quotas for women (40% in leadership by 2030) and persons with disabilities (5% of workforce).**
- **Well-being Programs:**
- **Free psychological counseling, flexible schedules for parents, childcare subsidies.**
- **Workplace Audits:**
- **Biannual checks for equal pay and career opportunities.**

2.3 Environment (Principles 7–9)

PRINCIPLE 7: Precautionary Approach to Environmental Challenges

UBC's actions:

- **40% Carbon Footprint Reduction by 2030:**



- Transition to electric vehicles in corporate fleet (120 units by 2026).
- Factory heating system modernization using biofuels.
- Renewable Energy Investments:
- Solar power plant construction in Sudan (100 MW) and Zambia (80 MW).

PRINCIPLE 8: Environmental Responsibility Initiatives

UBC's actions:

- "Green Office" Program:
- 100% recycled paper products.
- Zero-waste policy: 95% waste processing, food composting.
- Partnership with Climate Action 100+:
- Joint projects to reduce Scope 3 emissions (e.g., supply chain logistics optimization).

PRINCIPLE 9: Adoption of Eco-Friendly Technologies

UBC's actions:

- Carbon Capture Research:
- "EcoCapture" pilot: Filters at 3 factories to capture 15,000 tons of CO₂ annually.
- Process Digitalization:
- AI systems for resource consumption forecasting, reducing water usage by 25%.

2.4 Anti-Corruption (Principle 10)

PRINCIPLE 10: Combating Corruption in All Forms

UBC's actions:

- Whistleblowing System:



- **24/7 hotline and online portal for anonymous reports.**
- **Guaranteed whistleblower protection.**
- **Compliance Training:**
- **Training for 100% of staff on anti-corruption laws (e.g., FZ "On Anti-Corruption") and ISO 37001.**
- **Blockchain Transaction Audits:**
- **Distributed ledger tracking of counterparty payments to prevent data manipulation.**

UBC integrates UNGC principles into its strategy through systemic measures-technological innovations (blockchain, renewables) to social programs (well-being, training)-all backed by KPIs for objective progress tracking.

3. UBC Holding's "Green" Strategy

- **2026–2030 Goals:**
- **Achieve net-zero emissions in office operations by 2028.**
- **100% certified "green" projects in construction.**
- **Establish the \$50M UBC Eco-Innovation Fund for cleantech startups.**
- **KPIs:**
- **(To be defined in subsequent documentation)**

4. Implementation Mechanisms

- **Reporting: Annual ESG reports per GRI and TCFD standards.**
- **Governance: Sustainability Committee under CEO leadership.**
- **Partnerships: Collaboration with UNEP, WWF, and local environmental NGOs.**

5. Conclusion

UBC Holding positions the UN Global Compact-the UN's global sustainability initiative-as the foundational strategic framework for transforming into a recognized leader in sustainable development across its markets in the Middle East, Central Asia, and Africa. Integration of UNGC environmental principles (Principle 7: Precautionary approach; Principle 8: Enhanced



responsibility; Principle 9: Eco-tech adoption) will be systematically realized through business model modernization, including supply chain revisions, resource optimization, and carbon-reduction innovations. This will bolster our contribution to global climate action via concrete measures:

- **40% CO₂ reduction by 2030 through renewables;**
 - **Circular economy adoption in production;**
 - **Climate-resilient infrastructure development.**
- Concurrently, these initiatives create multifactor value for stakeholders:**
- **Shareholders: Enhanced ESG investment appeal;**
 - **Employees: Green training programs and improved working conditions;**
 - **Communities: Biodiversity conservation partnerships;**
 - **Clients: Eco-certified products with lifecycle traceability;**
 - **Regulators: Transparent GRI/TCFD-aligned reporting.**

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