



2020



شركة أسمنت الخليج  
Gulf Cement Company P.S.C.

# GULF CEMENT COMPANY SUSTAINABILITY REPORT

Gulf Cement Company dedicates this report to the community we live in and all their employees who have successfully participated in the development of a socially responsible company with a positive attitude towards the goals of sustainability.

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# CHAPTER 1

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## CHAPTER 1

### 1.1 FOREWORD

GCC has always remained a focused company in providing equal opportunity for the growth of all and has remained as a forerunner in modelling sustainable environment and effective Environmental, Social and Governance (ESG)

We have pleasure in introducing our report, which is prepared to align with and fulfil ADX's ESG Disclosure Guidance, and incorporating highlights our performance for the year 2020.

This report has been prepared in accordance with GRI Standards and other frameworks include the United Nations Sustainable Development Goals (UNSDGs) and the United Nations Global Compact (UNGC) Principles Abu Dhabi Economic Vision 2030 and the UAE National vision 2021.

## CHAPTER 1

# 1.2 SCOPE

The development of our 2020 ESG report aim to further enhance its sustainability journey and strengthen its stakeholder relations even more through transparent and balanced disclosures of its economic, environmental and social performance by taking pride in undertaking corporate social responsibility (CSR) initiatives in order to add value to the people, community and add value to the people community and the cement industry as a whole.

The reflects in driving sustainability forward in the country under the framework of UAE Vision 2021 and in alignment with the UN Sustainable Development Goals (SDG) and fully comply with the ADX's ESG Disclosure Guidance.

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, or other professional advice. For Professional advice on this contents of this report, please contact Gulf Cement Company. Please contact us on mail [mebrahim@gulfcement.ae](mailto:mebrahim@gulfcement.ae) for any further information related to this report.

The resources collected and mentioned in the report are done by our own team and a third party audit was not done, which can remain an option in the future.

## CHAPTER 1

# 1.3 Chairman Message



We express our firm support for the initiatives taken by the Government represented by His Highness Sheikh Khalifa Bin Zayed Al Nahyan, President of the UAE, His Highness Sheikh Mohammed Bin Rashid AL Maktoum, Vice President and Prime Minister of UAE, and His Highness Sheikh Saud bin Saqr Al Qasimi, UAE Supreme Council Member and Ruler of Ras Al Khaimah

Gulf Cement Company established four decades ago are today a company which is truly professionally managed and operate and have clearly established with the vision of our leaders by not only in producing world class cement products, but also in maintaining a sustainable Environment and constant development of the Society.

The UAE federal government through the Ministry of Climate Change and Environment (MOCCA) and the Government of RAK through Ras Al Khaimah Energy Efficiency and Renewable Energy (REEM) Strategy 2040 places climate change and sustainability at the top of the government's list of policy priorities

As an essential partner of the Cement Sustainability Initiative in United Arab Emirates, our commitment to make continued efforts to achieve the a stable and sustainable Environment by improving the usage of Alternate fuels, raw materials, thermal and electrical energy conservation and Waste Heat recovery technologies for reduction of Green House Gas Emissions.

I wish Gulf Cement Company all the best for years to come and operate with sustainable goals in line with Standard practices.

Sheikh Kayed Omar Saqer Mohamed Alqassimi

## CHAPTER 1

# 1.4 Message from Executive Management

Gulf Cement Company, established way back in 1977 have always shown strong leadership in professional management and understandably responsible company for both the community and as well as the sustainable environment

GCC always remained as best company in UAE in terms of customers most preferred suppliers due to their straightforward approach and fair deals business.

As a strong driving force for looking into the long-term vision of sustainability we are proud to say, we have taken several initiatives in terms of preserving the natural resources, saving Electrical and Thermal Energy, production of Green Power and are constantly on the lookout for continual improvements.

We thank our Chairman and Board of directors in having faith on us towards our Sustainable goals, and were magnanimous to approve our proposals for Waste heat recovery project and other drive initiatives taken towards improvements of environment and society.

We also provide best wishes for our team in bringing out this Sustainability report as a road map for visionary Management by principles and activities with an aim to improve the society, and the environment we live in.

# CHAPTER 2

## ORGANISATION PROFILE

### 2.1 ABOUT US

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## CHAPTER 2

### 2.1 GULF CEMENT COMPANY (GCC)



GCC is a leading economic edifice & a pillar of the state economy and one of the industry's leading companies to produce the best cement types and a global specification in addition to producing electric power by taking advantage of the lost heat, it contributes to the state's march in the environment and industry down to space Innovation for future design.

Since its establishment in 1977, we played a key role as a partner in the economic development process in the Emirate of Ras Al Khaimah, through its contribution to the manufacture and production of cement and clinker and the cement industry is one of the most valuable industries that characterize the United Arab Emirates and the main factor for its economic growth.

Taking the lead ahead of the all the companies that are producing cement in the country, which is basis of the national economy, GCC supports construction sector with various cement types and its derivatives with a world-class product matching to American, British and European standards and contribute effectively to the implementation of infrastructure projects at the country level. The company is also proud of using its cement product in most development project and the country's mega infrastructural projects such as airports, seaports, buildings, roads, bridges, rail network, industrial islands and other vital projects in the country.

## CHAPTER 2

### 2.1.1 OUR POLICY



Gulf Cement (Fastest innovator with latest technology) is continuing its success through in order to enhance its' permanent superiority to preserve the achievements of the present and the future.

Gulf Cement Company is committed to:

1. Serve all its customers to their complete satisfaction in the best possible way all the time.
2. Prevent pollution and control the use of natural resources and electrical energy. In order to achieve these goals, GCC Management has established a management system in order to:
  - \* Exercise extensive control over business activities like process, maintenance, inspection and tests Purchases, sales, storage delivery etc. that can affect the integrated management system.
  - \* Attempt to optimize production processes while maintaining the required product quality standard all the time with due consideration to cost factor and environment.
  - \* Maintain the plant, equipment and machinery in the best of condition to minimize breakdowns and process error.
  - \* Comply with all the requirements of ISO 9001:2015 and ISO 14001:2015 (E).
  - \* Ensure that all employees are aware about their responsibilities and are adequately to discharge their duties most effectively.
  - \* Carry out planned audits and reviews to ensure effective implementation of the management system, continued suitability of this policy, and ensure continual improvement of the system.
  - \* Comply with all applicable laws, regulations and standards and co-operate with authorities and local residents for protecting the environment.
  - \* Control the consumption of resources to maintain the minimum possible level.
  - \* Reduce waste generation and contamination of air, water and land by disposing off unavoidable waste in regulated manner.
  - \* Adopt new technologies when possible to improve environmental performance.

## CHAPTER 2

### 2.1.2 COMPANY STRATEGY

The Executive Management of GCC operates under the umbrella of the Board of Directors to protect the acquisition and safeguarding investor's right and deal under all circumstances, according to the best industrial practices and highest degree of readiness. The Executive Management has established a highly efficient operational plan, which leads to best production plan for the company and add effectively to for making appropriate and arrive at suitable decisions to reach the best results. The Board of Directors are keen on adjusting this strategy according to the realistic events associated with them and also correct and direct the paths in a manner that achieves the planned objectives..



## CHAPTER 2

### 2.1.4 OUR PRODUCTS



We are a well-known pioneer in the field of supply of construction materials which are manufactured as per strict requirements of both American and British standards and our production capacities are 3.8 million tons of clinker and have a grinding capacity of 2.4 million tons per annum. We regularly produce the following types of Cement and sell in the market as per international standards (ASTM and BS EN)

1. Ordinary Portland Cement
2. Moderate Sulfate resisting Portland Cement
3. Sulfate resisting Portland Cement
4. Oil Well Cement
5. Ground Granulated Blast Furnace Slag
6. Fly Ash

## CHAPTER 2

### 2.1.5 AWARDS AND CERTIFICATES



#### ADMINISTRATION & THE PRODUCTION AWARD

The governance and administration of the 1996 International Quality Commission-Madrid/Spain

#### INTERNATIONAL EXCELLENCE AWARD

International Excellence Award No. 21 on quality of the Trade club Madrid/Las Banja in respect of the Miami-Florida/United States of America, 7/1/1996.

#### GLOBAL ISO QUALITY MANAGEMENT SYSTEM CERTIFICATION

ISO 9001: 2015 & ISO 14001: 2015

#### OIL WELL CEMENT PRODUCTION API MONOGRAM CERTIFICATE

For the Oil Well Cement production, API Monogram Certificate No. 10A-0137 from the American Petroleum Institute (API)

#### THE GLOBAL ACCREDITATION CERTIFICATE OF CARBON FOOTPRINT LABEL FROM THE CARBON TRUST-UK IN 2016

For measuring successfully the carbon footprint of the company's products.

Authorization for use of carbon trust logo on company products.

#### IN-COUNTRY VALUE CERTIFICATE

For successfully demonstrating the commitment for developing the local talents, and promoting business among Local companies

**UNSIGNED**  
**IN-COUNTRY VALUE  
CERTIFICATE**

Certificate ID: 110654  
Issue Date:  
Valid Until: 09.04.2022

**GULF CEMENT CO**  
**68.68%**

Company General Information  
License No.: 32  
Company Type: Non SME in UAE  
Financial Year End Date: 31.12.2020  
Company based in: Within UAE  
Company Business: GOOD MANUFACTURER

For Cases of Re-Certification  
Re-Certification (\*) No.:

Reason for this Re-Certification

Signed By  
On behalf of Supplier  
Name:  
MCHAMMO AHMED ALI HIRAHMOUH AL SHEHHI  
Designation:  
COO

Verified as per ICV Agreed Upon Procedures (AUP)  
On behalf of Certification Body  
Name:  
Designation:  
Company:  
ERNST & YOUNG MIDDLE EAST  
Certificate Issued Based on ICV Version: 3.0

## CHAPTER 2

### 2.2 Corporate Governance



Gulf Cement Company adopts a set of rules, controls and charters that achieve institutional discipline in the company's relations and management in accordance with international standards and methods by defining the responsibilities and duties of the board of directors and senior executive management of the company and taking into consideration the protection of shareholders 'and stakeholders' rights. The company is keen to communicate with the related authorities and public in order to maintain its position locally, regionally and globally. The company is committed to implement the Chairman of Authority's Board of Directors' Decision no. (3/Chairman) of 2020 concerning Approval of Joint Stock Companies Governance Guide and believes in the importance of applying it to establish the rules of transparency, fairness and accountability based on the best models, practices and standards in force worldwide.

The Company is applying all the provisions of the laws, regulations and decisions in force and the requirements of the supervisory authorities in an optimal manner. These provisions and rules shall apply to the members of the Board of Directors of the Company and the executive management and its employees in the performance of their duties.

## CHAPTER 2

### 2.2.1 Board of Directors



Name	Membership status
Sheikh Kayed Omar Saqer Mohamed Alqassimi Represented by (Government Of Ras Al Khaimah)	Chairman
Mr. Hamad Ahmed Hamad Alameeri Represented by (National Investments Company)	Vice Chairman
Sheikh Jamal Saqer Sultan Alqassimi	Member
Mr. Abdulla Mohammed Hassan Mohammed Al Hosani	Member
Mr. Abdullaziz Hamad Abdullaziz Alwnais	Member
Mr. Husam Mohammed El-Sayed Hussein Represented by (Al-Khair National For Stocks & Real Estate Co.)	Member
Mr. Ahmed Abdullah Ali Al Amash Managing Director	Member

The Board of Directors shall be deemed to have all the power to carry out all acts on behalf of the Company and to exercise all powers required to achieve its purposes. Such powers shall not be restricted except by the law or the Company's Articles of Association.

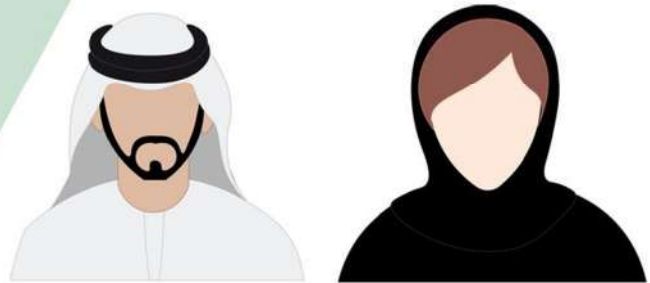
The Company's Articles of Association stipulate that the Board of Directors shall be composed of seven members elected by the General Assembly by cumulative secret voting.

#### Composition of the Board of Directors

The members of the Board of Directors were elected through the Company's General Assembly held on April 11, 2018 for a period of three years starting from the date of their election. The Company has taken into consideration the requirements of Corporate Governance Rules in accordance with the Company's Articles of Association that formation of the Board of Directors to be at least most of the members are independent members and the majority to be non-executive members who have practical experience and technical skills belong to the interest of the company. The below table shows board of directors' composition:

## CHAPTER 2

### 2.2.2 Gender Diversity



Gulf Cement Company believes in the importance of diversity of expertise and the role of women in the development process, which contributes to the addition of quality effectiveness and increase constructive views. The company works to implement such decisions (Article 40, item 1) of standards of corporate discipline and governance of public shareholding companies.

The company opened the door of nomination for both genders in each electoral cycle with equal rights without any restrictions on female nomination. However, all candidates were male only and the company did not receive any application submitted by any female during the last election cycle. As the company will support any female who meets the requirements and wishes to join the board of directors.



## CHAPTER 2

### 2.2.3 Committees of the Board of Directors

According to the Chairman of the Authority's Board of Directors Decision no. (3/Chairman) of 2020 concerning Approval of Joint Stock Companies Governance Guide, the Board of Directors has formed committees such as the Nomination and Remuneration Committee, Audit Committee and Executive Committee which follow it directly in order to contribute to the implementation of its tasks, and these committees play a fundamental role in supporting the Board in carrying out the tasks and duties entrusted with them in the management of the company and each committee operates within the scope of its competence approved by the Board.

The Board has established procedures that specify the mission of the Committee the duration of its work, the powers granted to it, the manner in which the Board of Directors supervises it, and the tasks assigned to it. The Committee presents a written report of the procedures, results and recommendations with absolute transparency.



## CHAPTER 2

### 2.2.4 Investor relations controls



#### (Communication mechanism with the shareholders)

In accordance with SCA resolution no. (3/Chairman) of 2020 concerning Approval of Joint Stock Companies Governance Guide and the decisions and circulars issued by the authority related to the controls of investor relations and based on the keenness of the Gulf Cement Company to build an industrial edifice that is a partner in development Sustainable to achieve ambitious aspirations for the future and keep pace with the highest international quality standards, and the optimal application of the rules and regulations in force in this regard, the company has strengthened the role of investor relations management and defining its tasks and activating the best ways to communicate with the company, It has also developed and updated its website in a complete and accurate manner to be known as "Investors' Relation Portal" in which the company through it seeks to enable investors and those interested in direct access to the latest information, especially those related to the financial statements, annual reports, dividends and stock prices and other disclosures.

The "Investor Relations Portal" aims at enhancing channels of communication and encouraging information exchange to enable investors and financial analysts to reach clear visions in accordance with the highest standards of transparency and reliability and to provide the latest information that confirms the extent of compliance with transparency and the application of the standards of institutional discipline.

Manager of the Investor Relations Department: Ms. Dalya Mohammed Al Shehhi

Phone: + 971 7 2027377 , + 971 7 2027371 , + 971 7 2027378

Fax: +971 7 2027280

E-Mail: [share@gulfcement.ae](mailto:share@gulfcement.ae)

Investors Relation Portal: <http://www.gulfcement.ae/investor-relations-ar/>

## CHAPTER 2

### 2.2.5 Risk Management



# RISK

The Company Board of Directors adopted the policies, frameworks and regulations that ensure effective management of risks based on the nature of the company work

The Company risk management framework provides a logical and systematic way to identify analyze, evaluate, treat and mitigate risks, monitor and prepare reports to ultimately allow leadership to take appropriate decisions and respond in a timely manner to risks when they arise. Therefore, the risk management framework in the company seeks to:

- Establish a framework for the risk management process and ensure it is implemented across the company.
- Ensure that all the current and future risk exposures of the company are identified, assessed, appropriately treated and managed.
- Ensure systematic and uniform assessment of risks across the company.
- Clearly define the roles and responsibilities of risk control to enhance the control and governance requirements of the Board of Directors and its committees, and effectively communicate the outputs of risk control to support the main business objectives of the company.
- Create a risk aware culture.



## CHAPTER 2

### 2.2.5 Risk Management



# RISK

- Contributing to business growth within the changing business environment and ensuring financial sustainability, as the company's risk assessment framework covers a wide range of risks, including :
  1. Risks associated with operating and production.
  2. Domestic and foreign market risks
  3. Risks associated to laws and regulations issued by the state, the local authority, and the Securities and Commodities Authority.
  4. Risks and difficulties associated with the rapidly changing and evolving technology and information security.
  5. Risks and difficulties associated with maintaining human competencies.
  6. Risks and difficulties related to suppliers, customers and stakeholders.
  7. Risks and difficulties related to Environment, natural resource constraints and other broad sustainability trends.



## CHAPTER 2

### 2.2.6 Internal audit System



Internal audit Department is fully independent and directly affiliated to the Board of Directors, it implements audit and control policies, which aim to assess the Company's risk management procedures, contribute to the proper application of the Company's governance rules and verify the compliance of the Company and its employees with the provisions of laws and regulations. Reviewing financial statements, and reviewing accounting policies and practices.



## CHAPTER 2

### 2.2.7 ANTI-CORRUPTION

In our dealings with customers, and suppliers we get our employees to strictly uphold the Group's policy on anti-corruption/bribery. GCC has clear-cut directives and regulations, regarding bribery of any sort and taken a number of other measures targeting at the risk of commercial bribery, to ensure that its business activities are carried out on the premise of fair lawfulness and compliance.

GCC was never involved in any litigation cases concerning corruption, bribery, since its inception and no any such cases reported for Financial Years 2020 & 2019.

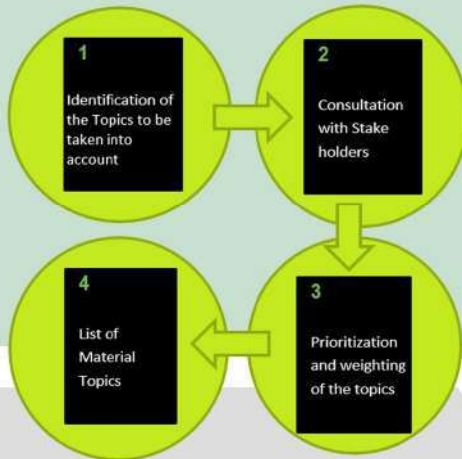
### 2.2.8 WHISTLE BLOWING POLICY

We had provided a mechanism for employees and external parties to report concerns over alleged wrongful acts. Employees as well as other parties are free to report about any fraudulent practices by reporting via phone calls, fax, emails and Management ensures strict action against the reported activity, in the event of finding it genuine. There were no whistleblowing cases in Financial Year 2020 & remained Nil in the financial year 2019.

### 2.2.9 GCC STAKEHOLDERS AND MATERIALITY MATRIX :



# CHAPTER 2



GCC STAKEHOLDERS	TOOLS	GENERATED OUTPUTS
Employees	<ul style="list-style-type: none"> <li>Performance Assessment</li> <li>Development programs</li> <li>Trainings</li> </ul>	<ul style="list-style-type: none"> <li>Opportunity for career development</li> <li>Safety at work</li> <li>Information provision and transparency</li> <li>Skills and competence building</li> <li>Team-building</li> </ul>
Customers and broader community	<ul style="list-style-type: none"> <li>Community interaction sessions</li> <li>Grievance redress</li> <li>Surveys</li> <li>Charity activities</li> <li>Social media</li> <li>Sustainability reporting</li> </ul>	<ul style="list-style-type: none"> <li>Satisfaction of customers' needs</li> <li>Support for local communities</li> <li>Promotion of mutual trust and transparency</li> <li>Promotion of sustainability values</li> </ul>
Industry experts Interactions (OEM)	Regular Interaction with all OEM for technical solutions	<ul style="list-style-type: none"> <li>Shared solution for common challenges</li> <li>Industry innovations</li> </ul>
Suppliers and contractors	<ul style="list-style-type: none"> <li>Training for Contractors</li> <li>Supplier assessment</li> <li>Supplier Reevaluation and approval procedures</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced effectiveness and quality throughout the value chain</li> <li>Opportunities for local suppliers standards and best practices</li> </ul>
Government	<ul style="list-style-type: none"> <li>Seminars, Meetings</li> <li>Regular reporting to government institutions</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with Federal and local laws.</li> <li>Promotion of transparency and mutual trust</li> </ul>
Shareholders	<ul style="list-style-type: none"> <li>Annual General Body meetings</li> <li>Financial reports</li> <li>Corporate Governance report</li> <li>Sustainability report</li> </ul>	<ul style="list-style-type: none"> <li>Shareholder value and transparency</li> </ul>
Press & Media	<ul style="list-style-type: none"> <li>Press releases</li> </ul>	<ul style="list-style-type: none"> <li>Transparency for all stakeholders</li> <li>Communication of milestones, events and activities</li> </ul>

## MATERIAL ASPECTS ASSESSMENT

An important part of our sustainability journey begins with the identification of relevant aspects. Relevant aspects are then prioritised as material factors which are then validated. The end result of this process is a list of material factors disclosed in the sustainability report.

The assessment process is as shown below:

To determine if an aspect is material, we assessed its potential impact on the economy, environment and society and influence on the stakeholders. Together with senior management and our external consultant aspects were identified and prioritised through internal workshops, peer reviews and social impact assessments on site.

This process resulted in the identification of the Material Topics for GCC, which may have an impact not only on the creation of economic value for the company, but also at the environmental and social level which are manifestly important for the different groups of stakeholders that were heard. These topics are mirrored throughout this report in chapters 4, 5 and 6. IDENTIFICATION of material factors that are of relevance to the Companies's activities and relevant topics from the ADEX Sustaibility reporting guidelines

VALIDATION of the completeness of key sustainability factors identified to finalise sustainability report with consultation from stakeholders

PRIORISATION Analysis of the results, and weighting of responses to stakeholders from different locations

LIST MATERIAL TOPICS : Result of the prioritization of topics



## CHAPTER 2

We at GCC have mapped these material topics for our Materiality Matrix. The Top Management had identified in-house members who contributed in understanding the responsibility for preparation of Sustainability road map and have analyzed identified, and validated and prioritized the material topics, which are of vital importance for a sustainable development in near future, and the same is listed below:

### 2.2.10 LIST OF MATERIAL TOPICS

- Health, Security and safety
- GHG emissions and climate change
- Community development and local impact management
- Waste Management.
- Energy conservation.
- Human Resources Management, Gender equality
- Other emissions
- Involvement of stakeholders
- Water use and management
- Product safety and quality
- Customer relationship and satisfaction

### 2.2.11 CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Cash and in-kind contributions made by the Company during the year 2020 toward the local community development and environmental conservation

#### **First: Contributions:**

The UAE community has a solid privacy and a lofty goal in the company's strategies, which is a national responsibility that establishes fundamental foundations for the tasks entrusted to everyone.

Likewise, the company is an integral part of the surrounding community and works wholeheartedly and with affiliation to consolidate effective community partnerships. Gulf Cement Company continues to support community-based activity of all kinds with a package of voluntary contributions, based on the laws and regulations of the country. The company works to ensure that all its employees are an active and influential part of society.

#### **Community outreach:**

The company has exceeded the in-kind, cash contributions and reached the goal of active community participation through adoption of the executive management to BOD initiative in supporting the community and building a strong social relationship that contributes to the positive social impact, through community outreach to become the company part of the surrounding society.



### **Community voluntary contributions provided by the company**

In accordance with Federal Law No. (2) for the year 2015 on commercial companies and its amendments and the article no. (65) of the Article of Association regarding the voluntary contributions, which allowed companies to pay voluntary contributions, and stipulated that voluntary contributions should not exceed (2%) of the average net profit of the company during the two financial years preceding the year in which such voluntary contributions are paid, Since the company did not achieve profits in the two fiscal years (2018 & 2019), no cash contributions were made during the year 2020, but the company was keen to continue providing in-kind and service contributions by providing various building materials and services to help citizens with limited income from the local community and public utilities.

### **Second: Environmental conservation:**

The company is keen to comply with the laws and resolutions issued by the Ministry of Climate Change and the Environment, and by Environment Protection and development authority in Ras Al Khaimah. Implement the policy of the Board of Directors that the company to be a leader in its field by applying best practices related to sustainable environment and green products. Gulf Cement Company also pays attention to the environment and its sustainability, and it believes that it is one of the main objectives that requires attention and focus on it, represented in its efforts in environmental sustainability projects that contribute to preserving natural resources and Corporate Governance Report 2020 Page 27 of 34 reducing carbon emissions resulting from production processes in kilns, which confirms its distinction with environmental leadership. The company works to support UAE orientations towards the green economy through ongoing environmental projects at the best and the latest technology in line with the prestigious position of the United Arab Emirates.

### **A. Urbanization:**

The company takes great interest in Urbanization Projects as it represents the bright facade of the environmental reality of the company. These projects contribute to the presentation of the company's commitment to the importance of urbanization to achieve professional safety and job security and other parties as per the Ministry of Climate Change and EPDA requirements.



### **B. Landscaping:**

The company has been concerned with afforestation in and around the perimeter of the company in order to achieve integration with urban construction projects that aim to highlight the aesthetic appearance of the company and increase the green area that contributes to improving the environmental situation of the area.

#### Environmental certificates

Obtained an Environmental Impact Assessment Approval Certificate from the Environment Protection and Development Authority in Ras Al Khaimah, allowing it to use all types of waste and alternative fuels in the company's kilns.

Renewing the environmental permit of the company issued by the Environmental Protection and Development Authority on 22/07/2020.

Certificate of thanks and appreciation from the Environment Protection and Development Authority in Ras Al Khaimah for the commitment to the environmental requirements and laws for Gulf Cement Company for the year 2020.

### **C. Environmental communication**

The Authority honored the company on the efforts made and compliance with environmental laws and requirements.

The company was keen on continuous and permanent communication with both the ministry and the authority to provide them with the environmental reality of the company, benefiting from the electronic monitoring network and permanent monitoring devices, as the company takes all precautionary measures upon any interruption or sudden failure and informs the ministry and the authority, and as a result of these efforts, the ministry has become The authority is fully aware of the environmental reality of the company.

## CHAPTER 2

### 2.2.12 GCC CYBERSECURITY- DATA STORAGE AND SECURITY

The best cybersecurity defense is the one that stops attacks from ever occurring. It is almost impossible to achieve as long as systems remain connected to other systems via networks or the Internet.

Therefore, Gulf Cement Company adopted Security Ecosystem in which we mainly focused on rely on preventive measures, which GCC has categorized into four areas: Technology Education, Policy and Audit & Monitoring.



## CHAPTER 2

### 2.2.12 GCC CYBERSECURITY- DATA STORAGE AND SECURITY

Under strong Security Ecosystem GCC have implemented

#### **A. Technology**

1. Endpoint Security
2. Perimeter Security
3. O365- Email Security

#### **B. Education**

GCC have developed in house Cyber Security Awareness training program for End users. Training ranges from teaching user's basic security concepts like safe browsing, recognizing suspicious (phishing) messages, password security, understanding software permissions, and secure data disposal, to teaching security professionals how to recognize and react to a cyber-threat.

#### **C. Policy and Procedure**

GCC Implementation and enforcement of "policy and procedures." In which GCC describes acceptable uses and responsibilities, explicitly. Documented best practices and formal policies shared throughout organizations can aid users and improve security.

#### **D. Audit and Monitoring**

Gulf cement Conducted third party Audit for Cyber Security like Vulnerability Assessment and Penetration Testing. This help us to reconstruct GCC cybersecurity architecture based on the VAPT report.

## CHAPTER 2

### 2.3 HUMAN RESOURCES POLICY

GCC has considered their employees as their most valuable assets, and attach human resources with extreme value. Our Human resource section motivate workers to perform at the highest level possible and maintain an organizational culture of high morale. To maintain sustainable trained and efficient workers, strategic HR has emerged as a prominent view of the role and this functional area plays in building and developing a strong sustainable organization.

- Compensation Policy
- Employment Contracts
- Employment Policies
- Job Description
- Performance Evaluation

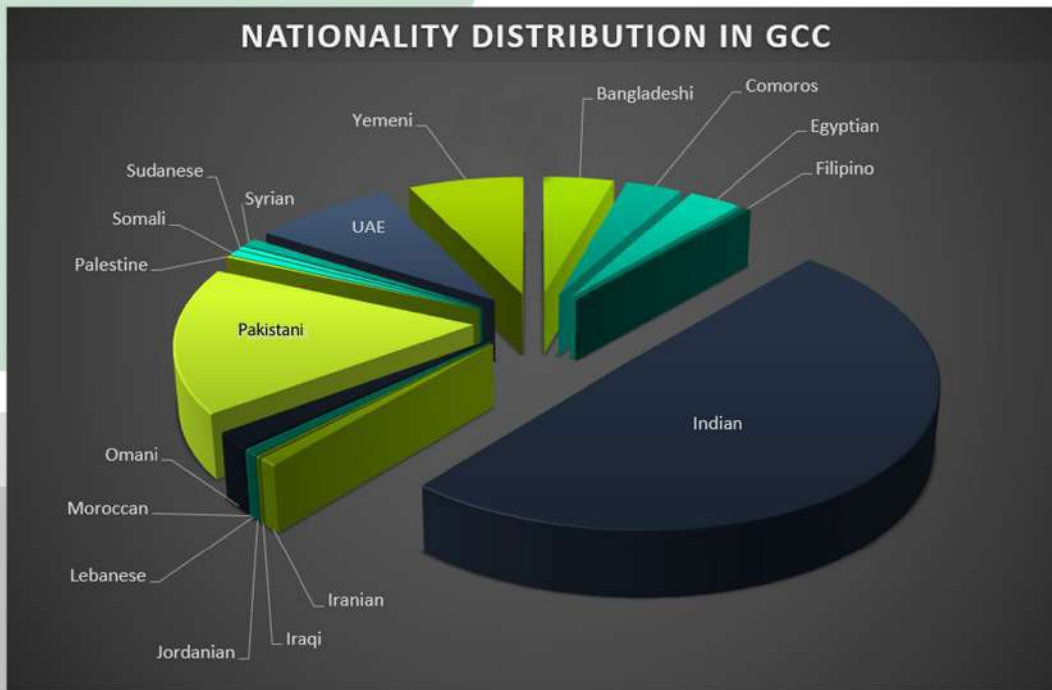


## Human Resource Policies

## CHAPTER 2

### 2.3 HUMAN RESOURCES

#### POLICY



GCC always remains, as employees preferred work place as it adopts a well-structured culture amongst our employees, suppliers and customers alike. Our firm attachment and deep-rooted relationships are well established with our employees, who follow our Code of conduct and Ethics and thus sets a free atmosphere and encourage all employees to report any possible violations to the code through various means, which is protected by our policy.

As a part of our commitment for women empowerment, we have inducted female employees as a part of our work force at various levels in all departments. GCC takes pride in including women in their workplace, which was a trendsetter in the cement industry .

Due to the Corona pandemic outbreak, HR section has done several counselling section and assisted all the employees to remain safe by way of interactions, circulars and sending the employees for required Tests, and Vaccination drives. We motivate positive work culture during Pandemic, and did not allow our operations to suffer and had very low persons affected during the crisis time.

## CHAPTER 2

### 2.3.1 EMPLOYEE TRAINING



We have put in place a management structure that will enable the processes of the company to deliver an output that will meet customer requirements and specifications at all times. GCC gives utmost importance for the selection of the personnel and assign them to required department/function, based on the relevant experience / skills / qualifications and competency. The key competency needs of management / supervisory staff according to the specific needs of the Management / supervisory function are fulfilled to meet product and customer requirements.

#### **TRAINING :**

GCC firmly follows the Employee development program whereby the top Management and employee work together to create a development plan that are needed by the individual. This development plan is transformed as a Training Need Analysis and is aligned with the organization's goals and ultimately serves as a template showing skills that the employee requires and how they can go about acquiring them.



As industries innovate, new technologies emerge; the ability to merge new technology with creative learning methods will ensure that teams learn new skills or reskill dynamically, through a future-oriented approach.

GCC considers Training as an investment and not expenditure and accordingly the entire workforces are trained on a continual basis to enhance their performance while at work. At the beginning of each year, training needs are assessed and imparted either through in house or external competent agencies.

## CHAPTER 2

### 2.3.2 EMIRATISATION

GCC follows the rules and regulations stipulated by the Ministry of Human Resources and Emiratization guidelines for the implementation of Emiratization.

As a policy, GCC first will always look for UAE nationals as priority.

Currently, following the principles set by the Ministry, we have 60% of the Top Management cadre with UAE Nationals.

GCC also successfully employed UAE nationals (women) as part of our working team, thereby integrating empowering women participation.

GCC also provides good opportunity to Emarati Universities and institute students for industrial training in various sections of the plant to career development of the individuals.





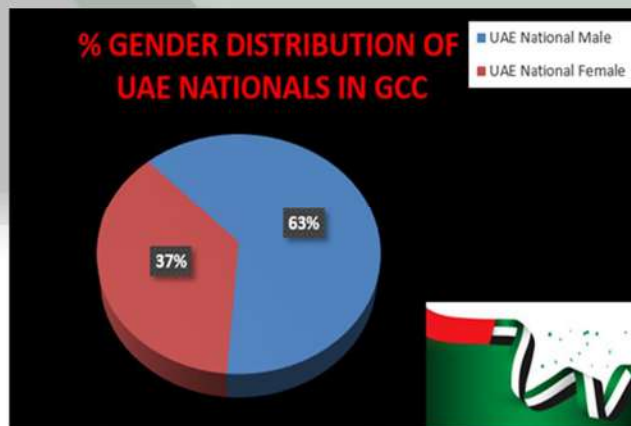
## CHAPTER 2

### 2.3.3 EMPLOYEE COUNT

By Gender	Year 2019	Year 2020
Male	442	416
Female	14	14
Total	456	430

### 2.3.4 GENDER DISTRIBUTION

By Nationality	Year 2019		Year 2019	
	Male	Female	Male	Female
Emirati	24	14	24	14
Expatriates	418	0	378	0
Total	442	14	402	14



### 2.3.5 EMPLOYEE TURNOVER

As per the job requirements, employees are periodically recruited, trained and the skill for the execution of jobs are always maintained. The employee turnaround for the last two years can be summarized as below:

EMPLOYEE TURNAROUND	Year 2019	Year 2020
Employees joined	14	15
Employees Left	63	41

# CHAPTER 3

- 3.1 Year 2020 – Challenges & Strategic actions
- 3.2 Financial Highlights
- 3.3 Sales Performance

## CHAPTER 3

### 3.1 Year 2020 – Challenges & Strategic actions



The year 2020 started with major global economic shock due to outbreak of pandemic. Gulf Cement was no exception to this, the outreach of this pandemic was in all sectors and in all economies of the world. Gulf Cement immediately adopted the theme of “Global Reset” and have implemented cost saving drive in all cost centers.

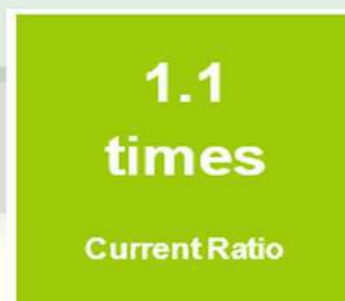
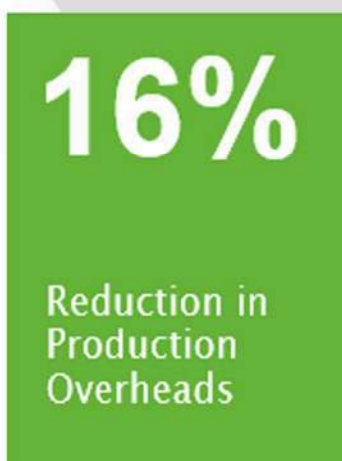
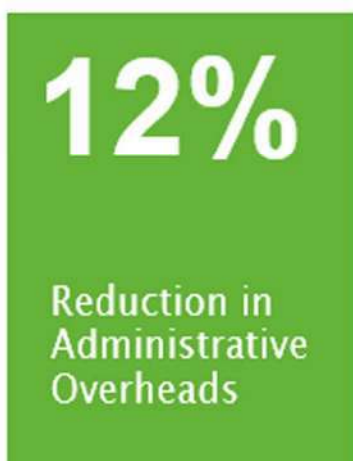
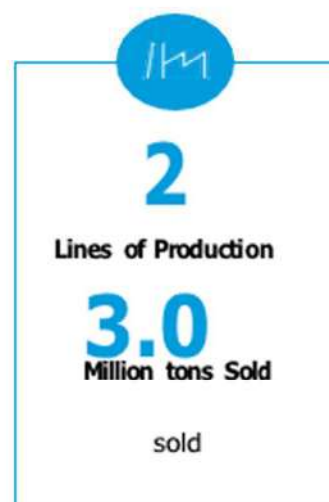
Following major steps took under the leadership of honorable executive Board for a sustainable financial situation:

- Major restructuring of organization.
  - Micro level control on Production and administrative fixed cost
  - Renegotiation with Raw Material suppliers and got better deals
  - Implementation of manpower cost control during crisis period
  - Strong Liquidity Management such that one of the least geared in the industry
- Beside above mentioned timely and highly important steps, the company quickly aligned with the changing situation and have taken long term strategic steps which helps the company to clean the legacy issues also helps to set the bench mark of keeping highest level of transparency in the organization. The focus remains intact, on maintaining the business critical activities and collective wellbeing of workforce, customers and all stake holders.

**For details on Economic Value generation and financial results , please refer to our FY 2020 Annual Financial Statements consist of statement of financial position, financial and economic performance pages 7 to 47**  
<https://adxservices.adx.ae/WebServices/DataServices/contentDownload.aspx?doc=2274788>

## CHAPTER 3

### 3.2 FINANCIAL HIGHLIGHTES



## CHAPTER 3

### 3.3 SALES PERFORMANCE



During the period under review, the company recorded net sales of AED:346 million against AED: 443million in corresponding period last year. The drop in the average sales price and Volume in local market and export market adversely affect the revenue.

The geographical sales revenue generated is as follows;

Sources	Year 2019	Year 2020
Local	96,189,479	113,019,859
Export	249,689,281	330,537,774
	<b>345,878,760</b>	<b>443,557,633</b>

## CHAPTER 3

### 3.3 SALES PERFORMANCE



# CHAPTER 4

## 4.0 ENVIRONMENTAL ASPECTS

4.1 Legal compliance and local Regulations

4.2 Conservation of Natural Resources & Usage of Alternate Fuels and Raw materials

4.3 Sustainability Measurement

4.3.1 Product branding through Carbon Trust, UK

4.3.2 Carbon foot print certification

4.3.3. CO2 Emissions from GCC for years 2019&2020

4.3.4 Sustainable Development Goals



## CHAPTER 4

### 4.1 LEGAL COMPLIANCE



Environmental matters in cement industry, are governed by the UAE Federal laws (MOCCA- Ministry of Climate Change and Environment) in addition, local regulations and decrees. The Federal laws are implemented by the local “Competent Authorities”. Environmental Protection and Development Authority Ras Al Khaimah (EPDA–RAK) is the competent authority, responsible for the implementation of the Federal Law No 24 (1999) in the Emirate of Ras Al Khaimah. In response to the Federal law No 24 (1999), Executive Order No 37 (2001) for the Environmental Impact Assessment, EPDA-RAK has developed its guidelines to conduct the Environmental Impact Assessment. GCC has taken the approval of EPDA by submitting EIA report and subsequently renewed the same.

#### FEDERAL LAWS

Federal Law No. (24) 1999

Federal Law No (24) concerning the Protection and Development Executive Order of the

Federal Law No (24) 1999

Ministerial Decree No 137 (2012) for Cement Industries

Regulatory Guidelines for Environmental Control in the Cement Industry

Article-1: Scope of Application: The provision of this resolution will apply to all the establishments operating in the field of cement industry in the UAE, in addition to the decisions issued by the competent authorities.

Article-2: Environmental Impact Assessment: All the establishments in the UAE will have an EIA report prepared by an Environmental Consultant experienced in the cement industry.



## CHAPTER 4

### LOCAL REGULATIONS



#### LOCAL REGULATIONS

Regulation No (1) 2001 for public hygiene in the Emirate of Ras Al Khaimah

LAW NO (2) 2007

For the Environment Protection and Development Authority – Ras Al Khaimah

Law No (2) 2007 stipulates that the competent environmental authority in the Emirate of Ras Al Khaimah is the “Environment Protection and Development Authority” (EPDA – RAK)

In order to abide by the Laws, and to protect the environment GCC has initiated several steps in the plant including the state of the art Bag filters with an emission levels of  $<5 \text{ mg/nm}^3$  which is very stringent than the permissible levels by the regulations.

GCC has installed a Continuous Emission Monitoring Systems (CEMS) which minutely monitors the emission levels from the chimney gases, as per the mandatory requirement for the stacks and have already linked the outputs to the ministry online.

The ambient air quality is also strictly monitored for all the emissions, and particulates and sharing the output of the unit online with the Ministry.

We have no violation on the environmental and have 100% compliance with the stipulated laws regarding the maintaining of emission levels

## CHAPTER 4

### 4.2 CONSERVATION OF NATURAL RESOURCES & USAGE OF ALTERNATE FUELS.

GCC firmly places their interest in promoting a sustainable product manufacturing approach and have always in quest for preservation of resources. A well-planned execution for adequate natural sourcing of various raw materials and their strategic procurement plans from various Suppliers of repute with sustainability initiatives enabled a sustainable business model for the company and thereby protected the interests of our stakeholders.

Gulf Cement Company is a pioneer in preserving natural resources and have successfully utilized copper slag as a corrective material, iron ore that is imported from other countries In the year 2019, usage of copper slag was 118,411 Mts, and in the year 2020 112,792 mts successfully.

Gulf cement, in an attempt to promote local resources have used the siliceous materials as a replacement to bauxite correctives and used 388,163 mts in 2019 and 545,423 mts in 2020.

Besides the above, GCC have also successfully used Spent pot liners, which promoted the recycling policy of the company.

## CHAPTER 4

Gulf Cement was always a pioneer in exploring alternate sources of Energy for their production process and were the first to introduce pet coke firing in this region, and have successfully utilized alternate fuels over the period of last few years which includes a multitude of waste materials ranging from Tire chips to Camel waste Gulf cement takes pride in placing on records the major turnaround in Alternate fuel firing, and have successfully introduced Camel Dung as an alternate to Coal for boiler operation in their plant.

Gulf cement takes pride in placing on records the major turnaround in Alternate fuel firing, and have successfully introduced Camel Dung as an alternate to Coal for power generation in their plant.



Reuter's coverage for the usage of camel waste can be accessed through <https://www.reuters.com/article/us-emirates-energy-camels-idUSKCN1UG0GR>

GCC also used other major Alternate fuels include

1. Tyre Chips
2. Wood Chips from Municipality
3. Plastic waste

## CHAPTER 4

### MINIMUM LIQUID DISCHARGE FROM THE PLANT



## Minimum **Liquid Discharge**

GCC Power generation Plant used fresh water for its water-cooled condenser system and is originally designed for 7 Cubic meters per Megawatt of electricity generation. Due to persistent modifications we have reduced the use of fresh resources of water and have commissioned two RO plants with a capacity of about 1500 M3/ day. GCC have successfully have brought down the water consumption to 5.78 Cubic meters in Year 2019 & 5.86 in year 2020, from a designed value of 7 Cubic Meters/MW.

## CHAPTER 4

### MINIMUM LIQUID DISCHARGE FROM THE PLANT

GCC is proud to be operating with a vision of Minimum Liquid discharge from its plant through the above sustainable initiatives.

Fuel	Year 2019	Year 2020
Cubic Meters/MW Electricity generation	5.78	5.86

## CHAPTER 4

### 4.3 SUSTAINABILITY MEASUREMENT



Cement is an important construction ingredient around the world, and as a result cement production is a significant source of global carbon dioxide (CO<sub>2</sub>) emissions making up approximately 2.4% of global CO<sub>2</sub> emissions from industrial and energy sources.

Gulf Cement Company undertook a study and certified against ISO 14064-1:2006 and ISO 14067:2013 This highlight Gulf Cement Company's achievements in reducing their product carbon footprint by benchmarking them to regional competitors, thereby demonstrating the products as climate friendly.

#### **4.3.1 PRODUCT BRANDING THROUGH CARBON TRUST, UNITED KINGDOM**

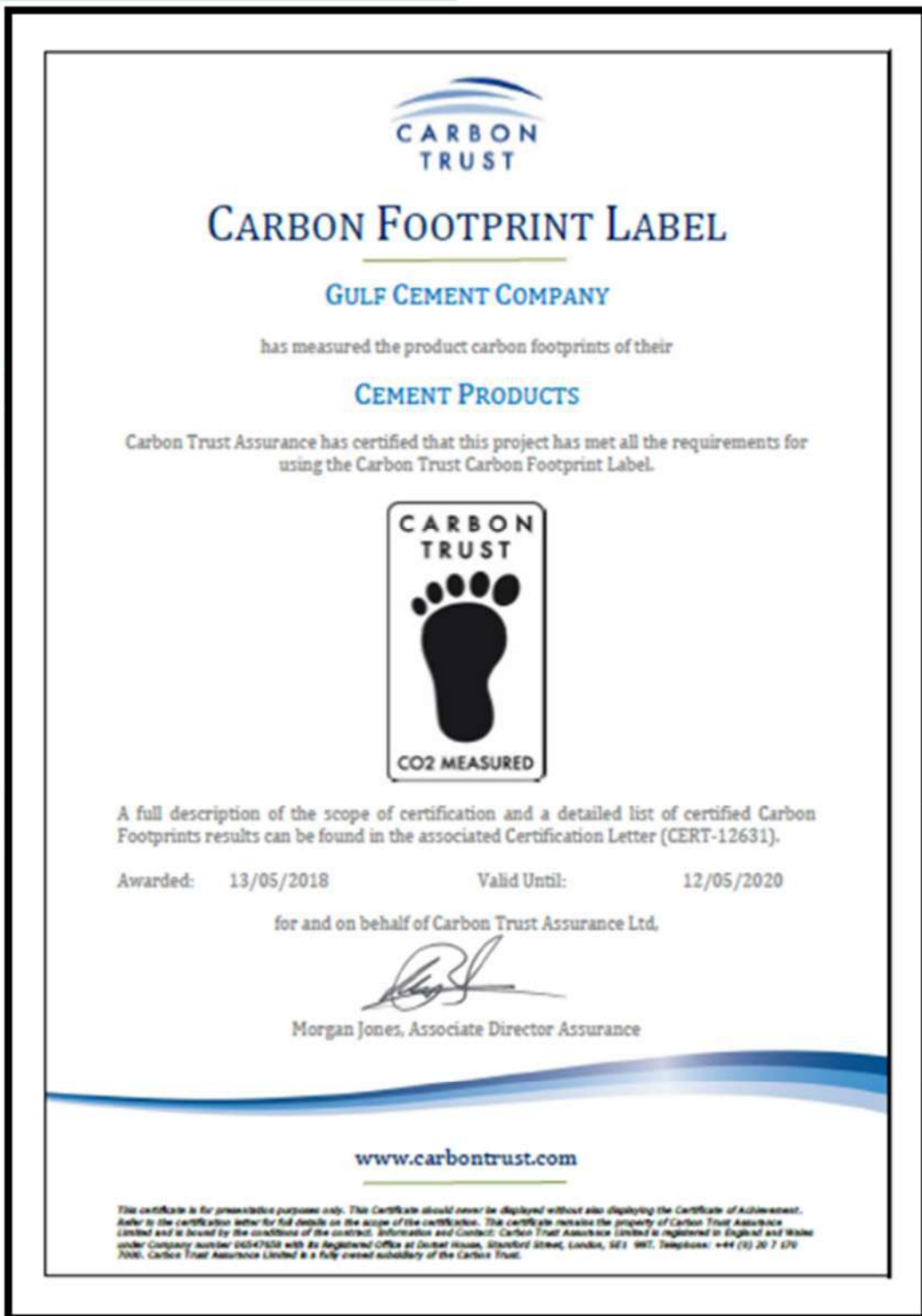
Carbon Trust Carbon Trust is the world is leading independent certifier of an organization's greenhouse gas emissions (CO<sub>2</sub>e), with a mission to accelerate the move towards a low carbon economy.



### 4.3.2 CARBON FOOT PRINT CERTIFICATION

Carbon Trust Assurance Limited has certified that Gulf Cement Company has re-calculated Carbon Footprints of their Stock Keeping Units (SKUs) and 1 Listed Product sold Cradle-to-Gate (Business-to-Business) and marketed in the Middle East, in accordance with:

1. PAS 2050: 2011 – Specification for the assessment of the life cycle greenhouse gas emissions of goods and services.
2. Product Carbon Footprint Protocol (parts 1 & 2).
3. Product Category Rule “PCR 2012-01 v2.2: Construction products and construction services.
4. The certification requirements of the Footprint Expert TM Guide – version 4.4.





## CHAPTER 4

### 4.3.3. CO2 EMISSION FROM CEMENT PLANT FOR YEARS 2019 & 2020

COMMODITY	Year 2019	Year 2020
<b>Total Volume of CO2 Emission in MT (FOR SCOPE 1&amp;2)</b>	<b>3,021,490</b>	<b>2,751,779</b>
<b>CO2 Emission Per Ton of clinker</b>	<b>944.62</b>	<b>977.17</b>
<b>CO2 Emission Per Ton of Cement</b>	<b>897.86</b>	<b>951.70</b>

**Note:**

The following were used in calculating the CO2 emissions

- 1) WRI/WBCSD 2004. The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard
- 2) GHG Protocol Corporate Accounting and Reporting Standard
- 3) The tools are consistent with those proposed by the Intergovernmental Panel on Climate Change (IPCC) for compilation of emissions at the national level (IPCC, 1996).

## CHAPTER 4

### 4.3.4 SUSTAINABLE DEVELOPMENT GOALS

# SUSTAINABLE DEVELOPMENT GOALS

**Gulf Cement Company has the following visions for a sustainable environment by Year 2030**

- \* Promote Initiatives towards Sustainability by following both the Federal Government, and Local government policies.
- \* Promote Sustainable Economic growth.
- \* Promote industrial innovation for conserving Energy.
- \* Promote recycling of all wastes in the plant and
- \* Promote Good health and well-being by providing safe working environment to all.
- \* Promote Emiratization.
- \* Promote Gender equality by Emirati women participation.
- \* Promote transparency Management by code of conduct practices for suppliers and all workmen across the company.



# CHAPTER 5

## 5.0 SOCIETY AND OTHER ASPECTS

5.1 Safety Management

5.2 Pandemic Management

5.3 Corporate social responsibility initiatives

## CHAPTER 5

### 5.1 SAFETY MANAGEMENT



GCC totally believes in Human values to promote the sustainability and treats them as an asset for the company. Hence, we attach utmost importance to the Safety of the workmen and provide a conducive working environment in the company.

Our quality health safety and environmental policy is give below



**Gulf Cement Company**  
**Ras Al Khaimah-United Arab Emirates**

**Quality Health Safety & Environmental Policy**

Gulf Cement Company is specialized in Manufacturing, Storage, Marketing and Sales of all types of cement (OPC/SRC/MSRC/OWC), fly ash and ggbs for UAE markets and abroad. Top Management recognize the significance, accordingly prepared, documented, established and implementing an Integrated Management System (IMS) aligned with all applicable legal regulations, code of practices and international standards ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and latest editions of API Spec Q1 requirements. The policy and the objectives have been communicated understood implemented and maintained at all levels at all relevant functions and levels of the organization as well as being reviewed periodically for assessing opportunities for improvement and changes if any needed to them.

We aim to achieve the objectives by:

1. Proper communication and consultation with employees, other involved parties regarding company policy, procedures and commitments to improve their awareness and contribution to maintain legal compliance, client requirements and suggestions for continual improvement of IMS.
2. Careful selection, allocation of competent personnel, performance evaluation, providing specific trainings, safe work procedures, proper tools & safe equipment's to perform activities utmost safely to prevent injury and ill health.
3. Performing maintenance, inspections, audits, implementation of proper corrective actions to control or eliminate all potential non-conformities to ensure Quality, Health Safety and Environmental conformities and Legal compliance.
4. Conducting proactive hazard/aspect identification, risk/impact assessment, determination and implementation of reliable control measures for further continual improvement.
5. Promoting involvement of all personnel attention for emergency response and maintaining positive HSE culture on all work sites, company camps and offices.
6. Promoting pollution prevention by enforcing Reduction, Recycle and Reuse practices, avoidance of misuse of water and fuel, toxic emission prevention, waste disposal as per regulation for assuring a safe, healthy survival and for pleasant future.
7. Setting and reviewing QHSE objectives & targets on periodic basis and set further targets with respect to Quality, Health Safety and Environmental Management system.

This policy shall be made to any interested party or member of public on demand.

Chief Operating Officer

Rev: 0 Issue Date : 04-01-2021



# CHAPTER 5

## 5.1 SAFETY MANAGEMENT



GCC has always placed Safety at the helm of affairs and provided safe working place for all.

We provide safety induction training to all workers; visitors alike & ensure strict compliance of implementation of safety measures within the factory premises at all times.

During these years, we did not have any fatal accidents, and our statistics clearly proves we are a pioneer in Safe Work Culture. Our education and awareness imparted on a continual basis for the safe work culture amongst all stakeholders which include Employees, contractual workers, and as well as third party clients/service engineers who are visiting GCC.



# CHAPTER 5

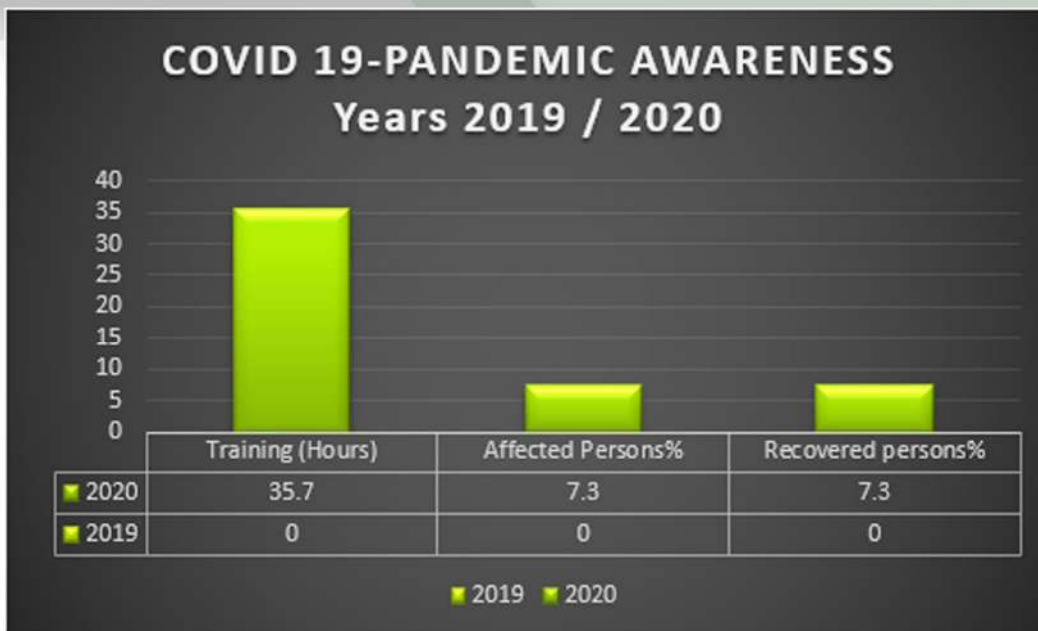
## 5.2 PANDEMIC MANAGEMENT



GCC had faced an unprecedented threat in the form of Pandemic during the year 2020. As per our vision towards a successful and a sustainable company, we protected our employees and environment with greatest care and provided adequate material resources and monetary remunerations in time to cope up with the situation.

We are proud to manage the pandemic situation and kept the spirit of our team afloat and successfully lived with the situation without any loss in our human life and business.

GCC successfully formulated action plans to surmount the situation by forming a Special Emergency committee to control the spread of the pandemic and provide a safe workplace for the employees by implementing awareness campaign and active testing of the workforce.



# CHAPTER 6

- 6.0 ANNEXURE
- 6.1 GRI reference index
- 6.2 Glossary & Abbreviations

# CHAPTER 6

## 6.1 GRI reference index

GRI Content Index			
STANDARD	DESCRIPTION	PAGE	COMMENT
<b>General</b>			
<b>ORGANIZATIONAL PROFILE</b>			
102-1	Name of the organization	Cover Page	Gulf Cement Company Psc
102-2	Activities, brands, products, and services	7-10	The principal activities of the Company are production and marketing of all types of cement. For further information <a href="https://gulfcement.ae/en/our-products/">https://gulfcement.ae/en/our-products/</a>
102-3	Location of headquarters		The address of the Company's registered office is P. O. Box 5295, Ras Al Khaimah, United Arab Emirates
102-4	Location of operations		The address of the Company's Site is P. O. Box 5295, Ras Al Khaimah, United Arab Emirates
102-5	Ownership and legal form		Gulf Cement Company P.S.C. (Public Shareholding Company) - Ras Al Khaimah (the "Company") is incorporated as a public shareholding company by Emiri decree number 24/77 issued by His Highness, The Ruler of Ras Al Khaimah, U.A.E., in 1977. The Company's shares are listed on Abu Dhabi Securities Exchange (ADX)
102-6	Markets served		The principal activities of the Company are production and marketing of all types of cement. Further Information at <a href="https://gulfcement.ae/">https://gulfcement.ae/</a>
102-7	Scale of the organization	7-10	<a href="https://gulfcement.ae/">https://gulfcement.ae/</a>
102-8	Information on employees and other workers	31	
102-9	Supply chain		The Company acquires various types of products and services such as components (aggregates, additives and packaging materials), as well as basic consumables inherent to their processes (fuel and electricity) and general services.
102-10	Significant changes to the organization and its supply chain		There were no significant changes worthy of record.
102-11	Precautionary Principle or approach	8	We are committed to mitigating the environmental impacts our operations by managing emissions, biodiversity and water
102-12	External initiatives	22-24	Please refer Corporate Social Responsibility Initiatives
102-13	Membership of associations	11	
<b>STRATEGY</b>			
102-14	Statement from senior decision-maker	4-5	Message from the Chairman of the Executive Committee
102-15	Key impacts, risks, and opportunities	17-18	
<b>ETHICS AND INTEGRITY</b>			
102-16	Values, principles, standards, and norms of behavior	8	
<b>GOVERNANCE</b>			
102-18	Governance structure	12-15	
102-19	Delegating authority		The Chairman of the Board of Administration delegates authority for economic, social and environmental issues to the Executive Committee
102-20	Executive-level responsibility for economic, environmental, and social		
102-21	Consulting stakeholders on economic, environmental, and social topics	21	
102-22	Composition of the highest governance body and its committees	13-14	
102-23	Chair of the highest governance body	12-15	
102-24	Nominating and selecting the highest governance body vices	12-15	
102-25	Conflicts of interest		The Board uphold utmost care and adopt principles to avoid conflict of interest.
102-26	Role of highest governance body in setting purpose, values, and strategy	13-15/8	
102-27	Collective knowledge of highest governance body		Members of the Management Board have experience in economic, environment and social affairs
102-28	Evaluating the highest governance body's performance		Information on performance assessment unavailable
102-29	Identifying and managing economic, environmental, and social impacts	12-15	
102-30	Effectiveness of risk management processes workers		Managed by the Risk Management and Internal Audit
102-31	Review of economic, environmental, and social topics		The management team and shareholders meet monthly to review progress on economic, environmental and social initiatives
102-32	Highest governance body's role in sustainability reporting and its supply chain		The Chairman of the Board evaluates and approves the Sustainability Report
102-33	Communicating critical concerns		Board of Directors meetings held Quarterly to address critical concerns
102-34	Nature and total number of critical concerns	22	
102-35	Remuneration policies	15	Remuneration Committee decides Board compensation
102-36	Process for determining remuneration and its supply chain		The Directors establish remuneration based on responsibilities
102-37	Stakeholders' involvement in remuneration		The Directors establish remuneration based on responsibilities
102-38	Annual total compensation ratio		Information unavailable
102-39	Percentage increase in annual total compensation ratio		Information unavailable
<b>STAKEHOLDER ENGAGEMENT</b>			
102-40	List of stakeholder groups	21	
102-41	Collective bargaining agreements vices	21	
102-42	Identifying and selecting stakeholders	21	
102-43	Approach to stakeholder engagement	21	
102-44	Key topics and concerns raised	21-22	
102-45	Entities included in the consolidated financial statements		Gulf Cement is a single Entity
102-46	Defining report content and topic boundaries vices	3-4	
102-47	List of material topics	22	
102-48	Restatements of information		Not Applicable
102-49	Changes in reporting		Not Applicable
102-50	Reporting period	Cover Page	Year 2020
102-51	Date of most recent report		Not Applicable
102-52	Reporting cycle/workers		The practice will be followed yearly
102-53	Contact point for questions regarding the report	3	
102-54	Claims of reporting in accordance with the GRI Standards and its supply chain		"In accordance" core option.
102-55	GRI content index	This Page	
102-56	External assurance	3	
<b>Management Approach</b>			
103-1	Explanation of the material topic and its boundary	21-22	
103-2	The management approach and its components	21-22	
103-3	Evaluation of the management approach	21-22	Gulf Cement carries out regular monitoring and evaluation of the indicators associated with each topic. To assess the effectiveness of its management, the company also relies on the feedback from its stakeholders, benchmarking analysis and, where available, with external performance ratings.





# CHAPTER 6

## 6.1 GRI reference index

### Economics

#### ECONOMIC PERFORMANCE

201-1	Direct economic value generated and distributed	33-34	
201-2	Financial implications and other risks and opportunities due to climate change		The cement industry is highly regulated in respect of environmental concerns that has created both risks and opportunities for the companies of this sector. The efficient management of the CO2 emissions performed by GCC, the reduction of the use of alternative fuels and the reduction of the percentage of clinker incorporation in the cement, have allowed to operate with Environmental compliance to its best.
201-3	Defined benefit plan obligations and other retirement plans		GCC has implemented procedures to meet retirement plan goals
201-4	Financial assistance received from government		Information not available

#### MARKET PRESENCE

202-1	Ratios of standard entry level wage by gender compared to local minimum wage		GCC makes no gender distinction. Currently, there are no positions earning minimum wage
202-2	Proportion of senior management hired from the local community	30	

#### PROCUREMENT PRACTICES

204-1	Proportion of spending on local	11	Gulf Cement Receive ICV of 68%
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#### ANTI-CORRUPTION

205-1	Operations assessed for risks related to corruption	20	All of our subsidiaries are ruled by the Federal Law of Prevention and Federal Law for Identification of Operations with Resources from Illegal Origin
205-2	Communication and training about anti-corruption policies and procedures	20	
205-3	Confirmed incidents of corruption and actions taken	20	All of our subsidiaries are ruled by the Federal Law of Prevention and Federal Law for Identification of Operations with Resources from Illegal Origin

#### ANTI-COMPETITIVE BEHAVIOR

206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		All of our operations are ruled by the Federal Laws of United Arab Emirates and No any deviation or non compliances occurred
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### Environment

#### MATERIALS

301-1	Materials used by weight or volume	47	
301-2	Recycled input materials used	40-41	
301-3	Reclaimed products and their packaging materials		Information unavailable

#### ENERGY

302-1	Energy consumption within the organization		Power Consumption and Heat Consumption are as per process requirement and One of the Key Performance Indicator for Gulf Cement sustainable growth policies.
302-2	Energy consumption outside of the organization		No energy consumption outside the organization
302-3	Energy intensity	47	
302-4	Reduction of energy consumption	41	Usage of Alternate fuels reduces Energy Consumption
302-5	Reductions in energy requirements of products and services		Information unavailable

#### WATER AND EFFLUENTS

303-1	Water withdrawal	42-43	
303-2	Water discharge	42-43	No affected water sources have been identified to date
303-3	Water consumption		Recycled water is used at the plants to water trees and irrigate roads

#### BIODIVERSITY

304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		Our aim is to conduct activities that build a better world, and while we do not normally operate in area with high biodiversity value, we are aware and sensitive to ecological integrity in our site management. We conform to all federal and Emirate regulations for conditional use permitting and land development requirements in the United Arab Emirate.
304-2	Significant impacts of activities, products, and services on biodiversity		
304-3	Habitats protected or restored		
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		

#### EMISSIONS

305-1	Direct (Scope 1) GHG emissions	44-47	
305-2	Energy indirect (Scope 2) GHG emissions	44-47	
305-3	Other indirect (Scope 3) GHG emissions	44-47	Consolidated information on indirect emissions (CH4, HFC, etc.) is unavailable
305-4	GHG emissions intensity	44-47	
305-5	Reduction of GHG emissions	44-47	
305-6	Emissions of ozone-depleting substances (ODS)		No ODS is produced
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions		Information unavailable

#### EFFLUENTS AND WASTE

306-1	Water discharge by quality and destination		Majority of water is discharged to recycled
306-2	Waste by type and disposal method		A consolidated report of the waste generated is unavailable
306-3	Significant spills		No significant spills during reporting period
306-4	Transport of hazardous waste		Not available
306-5	Water bodies affected by water discharges and/or runoff		No impacts to bodies of water by discharge or runoff

#### ENVIRONMENTAL COMPLIANCE

307-1	Non-compliance with environmental laws and regulations		Non-compliance with environmental laws and regulations
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#### SUPPLIER ENVIRONMENTAL ASSESSMENT

308-1	New suppliers that were screened using environmental criteria		we are working on the new agreements to add environmental criteria and measure this indicator.
308-2	Negative environmental impacts in the supply chain and actions taken		We are also working on measuring this type of indicators



# CHAPTER 6

## 6.1 GRI reference index

### People & Community

EMPLOYMENT			
401-1	New employee hires and employee turnover	31	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		Trainings, Annual/sick leaves and retirement program, employee discounts
401-3	Parental leave		Human Resources Department will work on measuring this type of indicators
LABOR/MANAGEMENT RELATIONS			
402-1	Minimum notice periods regarding operational changes		Not applicable
OCCUPATIONAL HEALTH AND SAFETY			
403-1	Workers representation in formal joint management-worker health and safety committees	50-52	Good health and safety practices (SST) are applied, in that the teams responsible for SST are the same
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	50-52	<p>The organization has Occupational Health and Safety issues identification and control processes, through risk assessment implemented at each site, performed by Safety Team having qualified training and also be employees with training in this area. Situations of workplace accidents are also evaluated to influence/improve risk assessment.</p> <p>Employees can report dangerous situations through security procedures, including reporting incidents or quasi incidents, which are evaluated by a restricted committee. There are several safety procedures that allow workers to identify, disclose and monitor non-compliant occurrences (e.g. quasi accident procedure, periodic safety meetings). Some of the tools to manage this process are:</p> <ul style="list-style-type: none"> <li>- Accident Investigation Report, which sets out the mandatory requirements and rules to be followed with regard to the Health and Safety group, for the reporting, classification and investigation of safety events;</li> <li>- Lessons learned;</li> <li>- Disclosure through the works accidents alerts;</li> <li>- Periodic Safety and Health meetings at various levels of the company.</li> </ul>
403-3	Workers with high incidence or high risk of diseases related to their occupation	50-52	The Organization is working on occupational health to identify such diseases
403-4	Health and safety topics covered in formal agreements	50-52	Health and safety issues are covered in labor agreements
403-4	Training employees in occupational health and safety	50-52	GCC invests in training its employees in this area. There is also training of a voluntary nature, particularly in the area of Safe Behaviour. New employees also have training in safety, both internal and external.
TRAINING AND EDUCATION			
404-1	Average hours of training per year per employee	29/51-52	A consolidated report of hours of training is unavailable
404-2	Programs for upgrading employee skills and transition assistance programs	27-29	
404-3	Percentage of employees receiving regular performance and career development reviews		Information unavailable
DIVERSITY AND EQUAL OPPORTUNITY			
405-1	Diversity of governance bodies and employees	27,31	
405-2	Ratio of basic salary and remuneration of women to men		Information unavailable
NON-DISCRIMINATION			
406-1	Incidents of discrimination and corrective actions taken		No incidents of discrimination during reporting period
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		Information unavailable
CHILD LABOR			
408-1	Operations and suppliers at significant risk for incidents of child labor		Information unavailable
FORCED OR COMPULSORY LABOR			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor		Information unavailable
SECURITY PRACTICES			
410-1	Security personnel trained in human rights policies or procedures		Human rights addressed in Code of Ethics, which applies to all staff
411-1	Incidents of violations involving rights of indigenous peoples		No incidents related to rights of indigenous peoples
RIGHTS OF INDIGENOUS PEOPLES HUMAN RIGHTS ASSESSMENT			
412-1	Operations that have been subject to human rights reviews or impact assessments		Information unavailable
412-2	Employee training on human rights policies or procedures		All employees receive training on Code of Ethics
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		Information unavailable
LOCAL COMMUNITIES			
413-1	Operations with local community engagement, impact assessments, and development programs	22-24/30	
413-2	Operations with significant actual and potential negative impacts on local communities		No significant negative impacts to local communities during reporting period
SUPPLIER SOCIAL ASSESSMENT			
414-1	New suppliers that were screened using social criteria		Information unavailable
414-2	Negative social impacts in the supply chain and actions taken		Information unavailable
PUBLIC POLICY			
415-1	Political contributions		No political contributions were made
CUSTOMER HEALTH AND SAFETY			
416-1	Assessment of the health and safety impacts of product and service categories		LAB Departments is fully competent for materials handling
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		No incidents during reporting period
LOCAL COMMUNITIES			
417-1	Requirements for product and service information and labeling		labeling requirements as per UAE laws are followed
417-2	Incidents of non-compliance concerning product and service information and labeling		No incidents during reporting period
417-3	Incidents of non-compliance concerning marketing communications		No incidents during reporting period
CUSTOMER PRIVACY			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	25	No substantiated complaints during reporting period
SOCIOECONOMIC COMPLIANCE			
419-1	Non-compliance with laws and regulations in the social and economic area	38	No incidents of non-compliance during reporting period



## CHAPTER 6

### 6.2 GLOSSARY & ABBREVIATIONS

ADX - Abu Dhabi Securities Exchange (ADX), United Arab Emirates

CSR - Corporate social responsibility

EPDA- Environment Protection and Development Authority, Ras Al Khaimah, UAE

ESG - Environmental, Social and Governance

GCC - Gulf Cement Company, a PSC company in U.A.E. Ras Al Khaimah

GRI - Global Reporting Initiative, which is an International framework recommended for reporting progress against Sustainable Development.

GPS - Global Positioning System

GHG- Greenhouse Gases are the gases that absorb and emit radiation within the thermal infrared range of the earth's atmosphere.

MOCCA- Ministry Of Climate Change and Environment

MOHRE- Ministry of Human Resources & Emiratization

MW - Megawatt, a unit of power equal to one million watts

NOx - A generic term for Nitrogen oxides usually refers to it as an air pollutant.

## CHAPTER 6

### 6.2 GLOSSARY & ABBREVIATIONS

OEM - Original Equipment Manufacturer

PPE - Personal Protective Equipment- Protective clothing, helmets, goggles, or other garments or equipment designed to protect the wearer's body from injury.

SOx A generic term for Oxides of Sulfur usually refers to it as an air pollutant.

Sustainable Development - Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Sustainability Reporting – A practice of measuring, disclosing, and being accountable to internal and external stakeholders for organizational performance towards the goal of sustainable development.

UNSDGS - United Nations Sustainable Development Goals is an intergovernmental set of aspiration goals officially known as Transforming Our World: The 2030 Agenda for Sustainable Development

UNGC -United Nations Global Compact is an UN initiative to encourage global businesses to adopt ten principles covering Human Rights, Labour Standards, Environment and Anticorruption

WHR - Waste Heat Recovery - Generating power by utilizing waste heat from preheater and cooler gases, by producing steam running the Steam Turbine Generator.



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