



CORPORATE SOCIAL RESPONSIBILITY POLICY

May 2016

Version 1.0

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Glossary

Term	Definition
Mushrif or the Company	Mushrif Trading and Contracting Company
AGM	Annual General Assembly Meeting
BOD	Board of Directors
CEO	Chief Executive Officer
CMA	Capital Markets Authority
the Policy	Corporate Social Responsibility Policy
CSR	Corporate Social Responsibility

1. Introduction

Mushrif Trading and Contracting Company (hereinafter referred to as "Mushrif" or "the Company") is committed to align its business values and strategy with social and economic needs while embedding responsible and ethical business practices into every activity carried out by the Company.

This policy has been prepared in line with the Corporate Governance related regulation issued by Capital Markets Authority (CMA) and other related regulatory requirements. The policy is considered as part of the Company's Corporate Governance Framework.

1.1 Purpose

The purpose of this policy (hereinafter referred to as "the Policy") is to guide the Company in managing its Corporate Social Responsibility while providing the community with support required to achieve long-term business and social benefits and ensure that the Company consistently operates in a manner that minimizes detrimental impacts to society and environment.

1.2 Scope

This Policy document applies to the Company, Board of Directors, and Executive Management. It is essential that all Directors and management understand the requirements of this Policy and related laws and regulations carefully and comply with its contents.

Wherever the provisions of this Policy contradict with any newly issued statutory or regulatory requirements, the statutory and regulatory requirements will take precedence over the provisions of this Policy till the policy is properly updated and approved.

1.3 Custodian

The Board Secretary shall have the custody over the master copy of this policy. The contents of this Policy, other than areas to be disclosed on the Company's website, are confidential and are intended for internal use of the Company only.

This Policy document should always be kept in a read-only status and must not be copied or revealed to third parties without the expressly written permission of the Board.

Requests for circulation of soft copies of this Policy are to be made only to designated personnel, i.e. BOD, Board Secretary.

1.4 Responsibility for Implementing the Policy

The HR Department shall have the responsibility to comply with the terms of this policy, the Department shall monitor the implementation of this policy.

1.5 Policy Revisions

Mushrif Trading and Contracting Company

The HR Department is Responsible for reviewing the policy on an annual basis and when needed, taking into account the extent of compliance with laws and regulations issued by CMA and others regulatory authorities. The Department will submit its proposals for amendment on the policy to the CEO for review, the Board of Directors shall be the ultimate approving authority of this policy. Once the changes are incorporated in the Policy, the relevant page (or pages) will be updated by the version and the date.

The table below tracks the manual revision and changes made. In the "Page Number" section, links will direct the user to the mentioned page to promptly trace such changes.

Sr	Version Number	Version Date	Section	Page Number	Approval
1					
2					
3					
4					
5					

Acknowledged and approved by Board of Directors on (date):

2. Definition of Corporate Social Responsibility

Corporate Social Responsibility refers to the continued commitment by the Company to contribute to sustainable development of the society in general and the Company employees in particular through all the activities and responsibilities carried out by the Company which may impact the society or environment that the Company operates in.

All actions and activities carried out by the Company should be consistent with the interests of society and its sustainable development which is defined as; the development that meets the current needs without compromising the ability of future generations to meet their own needs.

The Company's achievements in the field of Corporate Social Responsibility shall represent as one of the positive indicators of the Company's overall performance.

3. Pillars of an Effective Corporate Social Responsibility Framework

3.1. Social Responsibilities

The Company is committed to contributing towards improving the society's living, social and economic conditions. In order to achieve that the Company may consider the following:

- Assist in creating new employment opportunities to absorb the labour force in the society.
- Focus on supporting national workforce by attracting staff from citizens and ensure continuous development of their competencies and capabilities enabling them to grow.
- Promote a non-discriminative work environment within the Company.
- Proactively consider the interests of society as a whole and support economic development.
- Serve society in an ethical and lawful manner.
- Provide a work environment which applies and conforms to recognized occupational safety and health standards.
- Promote positive ethical behaviour (i.e. towards the environment, community, customers, employees and investors)
- Respect and abide by applicable laws and regulations.
- Design the Company's activities to be congruent with the economy's condition and the cultural status of the society.
- Refrain from any form of corruption, including extortion and bribery.

3.2. Environmental Responsibilities

Mushrif Trading and Contracting Company

The Company acknowledges that the environment is a fundamental element of its commitment towards Corporate Social Responsibility. Hence, it shall ensure positive contribution to the environment through:

- Recognizing the importance of protecting the environment from pollution and other environmental harms by ensuring the Company's activities and initiatives support new technologies that could achieve environmental benefits on the long-run and promote and enhance environmental awareness campaigns directed to employees and the public.
- Considering the environmental impact of the Company's products and services including any impact of disposing materials, ensuring that resources are not wasted, materials and goods are reused or recycled efficiently.
- Minimizing the extent to which the Company uses carbon dependant sources of energy and other natural resources.
- Proposing internal and external environmental conservation initiatives.

3.3. Community Responsibilities

The Company shall contribute to the Community through:

- Respecting cultural and social differences of various communities and respecting people with different backgrounds, values, traditions and cultures.
- Improve the quality of living conditions of workforce, their families, local community and society as a whole.
- Support small business which opens new horizons serving different communities within the society.
- Providing training programs to develop the capabilities of targeted communities.

3.4. Stakeholders Engagement

The Company has multiple stakeholders such as customers, vendors, employees, shareholders and more. The Company shall ensure continuous engagement and communication with stakeholders for a better understanding and contribution to the Company's Corporate Social Responsibility. This can be achieved through the following:

- Identifying interests and needs of stakeholders.
- Actively engaging stakeholders in various activities taking into consideration their needs and the outcome of such engagements.
- Responding to legitimate stakeholder claims.
- Being transparent regarding various company's activities and publicly communicate progress related to Corporate Social Responsibility.
- Ensuring that a mechanism is in place to receive and promptly address stakeholders concerns, enquiries, ideas and initiatives.
- Interacting regularly with stakeholders to maintain long-term relationships that would contribute towards the achievement of the Company's objectives.

3.5. Employees Development

Mushrif Trading and Contracting Company

Employees development and achieving a healthy work environment to ensure mutual communication between the Company and its employees has a significant impact on the Company's role in terms of Corporate Social Responsibility, this can be achieved through:

- Employees' training and knowledge transfer, in addition to allowing the contribution of employees by creating a work environment where employee's contributions are encouraged and recognized.
- Monitoring employees engagement through conducting a number of survey's (i.e. Employee Engagement Survey), results of such survey shall serve as the base to enhance the level employees engagement within the Company.
- Promoting programs for lifelong learning and skill development and providing regular performance and career development reviews.
- Promoting programs to ensure gender equality in the work environment.
- Encouraging and recognizing the contribution of employees and rewarding them fairly.
- creating a safe and healthy work environment for its employees, this can be achieved through the following:
 - Continuously monitoring health and safety risks and taking necessary action to mitigate or resolve such risks.
 - Conducting awareness sessions and related training programs to raise health and safety awareness of all employees .
 - Ensuring that required crisis and disaster recovery plans are in place.
- Conducting regular formal and informal meetings between employees and management to address any concerns, enquiries, issues raised by employees.

Refer to *Human Resources Manual* and *Code of Conduct* for more details on Employees Development.

4. Corporate Social Responsibility Initiatives

- 4.1. The Board of Directors shall oversee the Corporate Responsibility framework and ensure for its implementation across the Company.
- 4.2. Management shall continuously seek to define more efficient and effective ways of improving and positively contributing to the society in which the Company operates in and that the same is reflected in the form of CSR initiatives adopted and executed by the Company.
- 4.3. The Company shall adopt various CSR initiatives that may include but not limited to the following:
 - Sponsorships.
 - Donations.
 - Charitable Events.
 - Educational Programs.
 - Corporate Volunteering Programs.
 - Employees and Society Awareness Sessions and Campaigns.

- 4.4. The Company should obtain the AGM approval in case of allocating a percentage of its profit towards its Corporate Social Responsibilities Initiatives.

5. Raising Corporate Social Responsibility Awareness

- 5.1. The Company shall ensure that all its employees are aware of the importance of the Company's CSR Programs. It shall also ensure, through awareness sessions and other means of communication that employees have sufficient knowledge of the Company's CSR related objectives and its impact on the society, environment, stakeholders as well as the Company's performance.
- 5.2. The Company shall also ensure that the CSR Programs are communicated to society to promote the Company's CSR programs and highlight the Company's contribution and impact of its CSR initiatives on the society.

6. Disclosure and Reporting

- 6.1. The Company shall continuously disclose its Corporate Social Responsibility objectives to its employees.
- 6.2. The Company shall disclose its Corporate Social Responsibility's initiatives as part of the Company's periodic reports related to its activities.