2018 Questions for Construction Companies in the UAE Migrant Worker Rights

Name of company: Al Naboodah Construction Group

Headquarters address: Dubai – Hatta Road E44, Al Awir, Dubai, United Arab Emirates.

Website: www.alnaboodahconstruction.com

1)

a) Please describe the scope of your company's operations in the UAE, including reference to the company's current projects and any labour rights standards governing these projects.

Al Naboodah Construction Group encompasses a wide range of civil engineering, MEP and building capabilities, operating across a variety of sectors.

The following organisations are managed under Al Naboodah Construction Group (ANCG):

Al Naboodah Contracting Co LLC
Al Naboodah National Contracting Group LLC
Trans Gulf Electromechanical LLC
National Plant & Equipment LLC
Al Naboodah Specialist Services LLC
Al Naboodah Ready Mix Concrete (ARCON) LLC
Al Naboodah Engineering LLC

We have a worker welfare policy that protects the rights of our workers which has been translated into multiple languages and displayed on the notice boards of the worker villages.

b) List your company's business relationships on its current projects, including with business partners¹ and entities in its contracting chain.² If your company maintains this information publicly, please provide a link or attachment to it.

The requested information can be found at the following link:

http://www.alnaboodahconstruction.com/what-we-do

2) Does your company maintain public workforce data? If yes, please provide a link or attachment with the data.

If not, please provide the information on the number of:

- a) Directly employed³ workers on your current projects, and their countries of origin.
 - 13,500 employees are directly hired and they originate from more than 40 different countries, mostly from India, Pakistan, Bangladesh, Nepal, Sri Lanka and the Philippines.
- Workers employed by subcontractors on your current projects
 We have around 1,800 personnel working on different projects through our subcontractors.
- c) Workers employed by labour supply companies on your current projects

¹ i.e. joint venture partners, State and non-State clients, and State and non-State project financiers

² i.e. subcontractors, recruitment agencies, and labour supply companies in countries of origin and destination

³ A directly employed worker is a worker with whom you have a contract of employment and to whom you pay wages

We mostly engage our own employees. Currently we have approximately 200 personnel working from labour supply companies on different projects. These numbers could vary depending on the nature of work. Mostly they are engaged in temporary roles.

Human rights policy & due diligence

3) Does your company have a publicly-available written policy to respect human rights in its operations that addresses a) the rights of workers employed by the company and b) the rights of workers employed by subcontractors, labour supply companies and other entities in the company's subcontracting chain? Please provide links or attachments to the company's relevant policies.

Please note that none of our policy documents are publicly available. They are all published internally and available on the Group Intranet. We have an internal Human Rights Policy that is available both in our Worker Welfare Policy as well as the General Code of Conduct (Copies enclosed).

Our workers have been briefed on their employment rights and duties as well as their human rights in the UAE directly by the Ministry of Human Resources and Emiratisation (enclosed evidence).

- 4) Does your company require subcontractors and other entities in your contracting chain in the UAE to comply with your human rights and other rights-related policies and procedures? If yes:
 - a) How do you hold them accountable to these requirements (e.g. through contract clauses) and ensure their compliance (e.g. through training, monitoring, penalties etc.)?
 - Please refer the policy relating to procurement supply chain and our sustainable supply chain charter.
 - b) Do you enforce compliance beyond the first-tier of your contracting chain? What challenges does the company face in ensuring subcontractor compliance, both in the first and subsequent tiers?

We never had any issues in this regard with our subcontractors as majority of the subcontractors are in-house.

Recruitment

5) Please describe your company's process for recruiting migrant workers to be part of your directly employed workforce in the UAE.

Our manpower resources are recruited through reliable and approved recruitment agents on our preferred supplier list in the case of international recruitment, or directly from the local market or through references.

- 6) Does your company have a publicly-available written policy to respect migrant workers' rights that addresses the specific risks migrant workers face during recruitment? Please provide links or attachments to the company's relevant policies.
 - a) How does your company prevent the practice of contract substitution? Does your company have a policy of honouring the terms of contract signed in workers' home countries?

As per the current UAE Labour Law, all of our employment contracts are provided to workers in a language that they are able to understand even before their visa is processed. We ensure that no modifications happen upon arrival into the country.

b) If your company has a policy of no-fee recruitment, what steps does it take to ensure workers do not pay recruitment fees and related costs?

In normal instances the company pays a fee to the employment agent and the joining ticket is provided by the company. The recruitment agent will ensure that an affidavit document (in local language) signed by the selected candidate wherein he declares that he has not paid any amount/charges for the medical test, immigration clearance, insurance, service tax and service charges to the Agency/any Sub Agency for the recruitment process. Our HR Staff addresses the selected candidates personally and advises them not to pay any money as all recruitment is free. In case any candidate complains that he has been charged, we will ensure that action is taken to redress this with the affected individual and the recruitment company will be terminated from our preferred supplier list. Upon arrival in the country during induction we check with the employees if they were forced to pay any amount to the recruitment agency

- c) If your company has a policy of reimbursing fees, please describe the company's process for identifying incidences of worker-paid fees and reimbursing fees to workers.
 - This is not applicable as we don't advise the employees to pay and the recruiting agents are barred from collecting any money from the candidates.
- d) How do these policies apply to the recruitment agents you engage and to labour suppliers and subcontractors who have workers on your projects?

As mentioned above.

Payment & wages

- 7) What is your company's process for determining the wages of its workers in the UAE, and what external benchmarks does it use to set wage levels? Does your company consider a living wage in setting its wage amounts? Please explain.
 - The company's wages are fixed as per our compensation and benefits matrix which is periodically reviewed by benchmarking with our competitive companies. Also note that we provide them with a very high standard of furnished accommodation and free food.
- 8) Does your company operate on a contractual "pay when paid" basis in relation to:
 - Subcontractors? Please refer to the Worker Welfare Policy, clause 6.11.3 Non-payment of wages by contractor.
 - b) Employee wages? No we have never experienced an issue of delayed payments to our employees.
 - c) Other creditors? Please specify.
- 9) What mechanisms does your company have in place to detect unpaid wages to workers on your projects? Does your company maintain reserves to ensure salary commitments can be met, and has the company ever intervened to pay workers' wages when the direct employer has defaulted or gone into liquidation? Please describe.
 - All the employees are paid through WPS and we are proud to say that we have never defaulted on payment of salaries in our history of 60-plus years. And in line with the new insurance policy from the government of the UAE, we as an employer pay a premium for each employee and they are covered for their end-of-service benefits in case the employer fails to pay.

Freedom of movement

10) How does your company ensure that all workers on its project sites have free and secure access to their passports and identity documents, including workers employed by subcontractors and labour-supply companies?

Our employee's passports are stored in an individual locker and the key is with the employees. The lockers are available in the operative's village and monitored 24/7 by security for any breakin or any other eventuality. Employees are solely responsible for their passports and the admin team only gets access to the passport in case of visa renewals or for any statutory requirements.

11) How does your company ensure that all workers on its project sites have valid work permits and other documents required for employment, including workers employed by subcontractors and labour-supply companies? Please include information on who pays for work permits and what steps the company takes when employers on its projects fail to issue or renew workers' permits.

All our employees have valid work permits. Whenever an employee is deployed at any site, whether our own or through a subcontractor, they will be provided with an HSE Induction. At the Induction, the employees need to produce their Emirates ID or valid work documents without which they will not be included in the induction. In other words, they will not be allowed access into the site.

12) How does your company ensure all workers on its projects are free to change jobs and/or leave the UAE at will?

ANCG always ensures the growth of the employee and their family's wellbeing. Employees are given access to training so that they can develop and progress in their career internally. But this does not stop our employees looking for a job change due to various reasons and we have never stopped the career aspirations of our employees. As per the UAE laws, employees have the freedom to change jobs after completion of 6 months employment with the company, and as a responsible organisation we honour all the legal mandates.

Living conditions

13) How does your company ensure safe and decent accommodation for all workers on its project sites, including workers employed by subcontractors and labour-supply companies? Please include information on what steps the company takes when employers on its projects fail to house workers in adequate living conditions.

We are extremely proud of our Employee Villages and believe that we have the best accommodation as per industrial standards and in compliance with the local regulations. This has been confirmed by the commendations of government officials visiting our facilities. We not only ensure that their stay is comfortable, but also ensure that they eat good food. We provide different kitchens catering to the culinary tastes of employees based on their country or region of origin. We also have gyms, recreation rooms, libraries and computer rooms available at each of our Employee Villages.

We encourage constant feedback to continuously improve on our existing performance, and we have regular meetings with our employees and take corrective action on the feedback when required.

When we engage subcontractors we do an audit and check their accommodation standards and other facilities. In case they have shortcomings we give them the opportunity to correct any issues.

- 14) Please describe how your company makes provision for workers to have access to:
 - a) safe and adequate nutrition We provide a high quality of food across a range of menus catering to the specific tastes of different nationalities.
 - b) healthcare 24/7 clinics at Employee Villages and medical insurance coverage.
 - c) banking and remittance services All payments are made through financial institutions, and ATMs are available at the Employee Villages.
 - d) transportation Free transportation is provided to and from work, and weekly for leisure.
 - e) leisure activities Employee Villages have facilities for recreation and games. TV is provided in all rooms. We have well equipped gyms in all of our villages. Regular sports and other cultural and social events are organised throughout the year.

Health and safety

15) Please describe your company's health & safety policy and procedures, including what steps the company takes to ensure that they are applied to directly employed and subcontracted workers on your projects.

ANCG is committed to developing a health and safety culture that results in its employees working safely, thereby preventing injury to personnel, damage to the environment, plant, equipment & machinery and preventing ill health. Our target is "Zero Accidents Every Day". As a result the HSE Management System is based on the following key elements; Awareness, Competency and Compliance, which in turn are supported by the following procedures:

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- Personal Safety Contracts
- Senior Management Safety Tours
- □ Weekly PM HSE Tours
- □ Site Safety Committees
- □ Training (Internal and External)

Safety is everybody's business!

- 16) What is your company's policy and procedures on overtime? Please include in your answer:
 - What the maximum/limit is on the amount of overtime 2 hours per day
 - Whether overtime work is voluntary Yes
 - What the premium is for overtime work Overtime is paid in line with the UAE Labour Law
 - How the company prevents all workers on its projects from exceeding overtime limits during peaks in construction activity – we have our staff and operatives who can work in shifts. Hence even during peak work we plan accordingly so that our employees don't have to stretch. As a process any project seeking extra overtime than the normal prescribed limit needs to obtain approval from the Senior Management with justification. But in most cases it is denied.
- 17) What steps does the company take to protect all workers on its projects from high temperatures, humidity and sunlight throughout the year? Please include information on how you monitor heat risk and how you communicate protective measures to all workers.

In line with the Ministry of Labour prohibition, midday breaks are given to all the employees working in the sun and in open spaces from 12.30pm to 3.00pm for the period from 15th June to 15th September. The HSE Team, along with the Operations Team, takes steps to ensure proper precautions to protect employees from heat injury and heat-related occupational hazards that may occur during the summer time. Summer working plans are formulated, approved by Senior

Management and communicated at the relevant sites. These plans include training on heat stress, signs and symptoms and treatment of heat-related cases, provision of cold rooms at site, provision of Oral Rehydration Solutions (ORS), and provision of air-conditioned rest areas for personnel resting at sites.

The summer time working instructions are communicated through an internal memo in all major languages as well as through Toolbox Talks.

We also have a Visual Impact Training team who communicate to the operatives by enacting the consequences of unsafe work and how to take precautions while working in summer.

- 18) Does your company maintain public data on fatalities and injuries to workers on its projects? If yes, please provide a link or attachment with the data. If not, please provide information for 2016 and 2017 on the total number and the causes of:
 - a) Work-place fatalities in your direct and subcontracted workforce Nil
 - b) Permanent disabilities in your direct and subcontracted workforce 2016 3, 2017 2
 - c) Lost-time injuries in your direct and subcontracted workforce 4 2016 7, 2017 5.

More recently, our Satwa project site recently reached 2 million man-hours with zero LTIs, and our Dubai Creek Harbour site reached 5 million man-hours with zero LTIs.

Representation and remedy

- 19) Given legal restrictions on freedom of association and membership of trade unions in the UAE, how does your company ensure workers' voices are represented and heard by the company, e.g. through worker-representative committees? Please describe the mechanism in place. Certain sites have Worker Welfare Committees which consist of the Project Manager, HR Manager, Accommodation Manager, HSE Manager and the Worker Representatives which discusses all issues relating to employee welfare & safety and address any concerns raised.
- 20) In accordance with the UN Guiding Principle on Business and Human Rights, does your company have an operational level grievance mechanism in place for direct and subcontracted workers on your projects to raise concerns, in their own language, and in a way that ensures grievances can be reported safely, without intimidation or retaliation? Please provide a description of the company's grievance mechanism.

We have a Worker Welfare Policy which has details about our grievance handling procedure among several other issues relating to operatives. This policy has been communicated to operatives. We also have an Employee Relations team who are professionally qualified and speak different languages so that they communicate freely with the employees. And to support this, there is a grievance redressal procedure in the organisation which has been published and communicated internally to all employees.

21) How many grievances were raised in 2017 by directly employed and/or subcontracted workers on your projects? Please provide a summary of the grievances and the remedial actions that were taken by the company and its subcontractors.

Year	Issues Raised	Issued Addressed
Year 2017	896	870

⁴ Lost time-injuries calculated on the basis of injuries resulting in incapacity for work of at least three consecutive days (excluding the day of the accident)

Other information

22) Is there anything else that you would like to tell us about how your company takes a responsible approach to managing its operations in the UAE, including any challenges it faces in doing so?

Our achievements speaks for themselves. To highlight our approach and in recognition of our efforts, we received the following awards in 2017 and 2018:

- 1. 'UAE's Happiest Workplace' for two consecutive years, 2017 and 2018, from the Ministry of Human Resources and Emiratisation.
- 2. A 4-star rating by the Tagdeer Awards for 2017
- 3. Contractor of the Year Big Project Awards 2017
- 4. Winner 'Most Sustainable Business Model', Gulf Sustainability and CSR Awards 2018

We will continue our good work to be a sustainable business as well as fulfil our ANGE 2020 Vision to be the employer and business partner of choice in the UAE and beyond.