



**GLOBAL COMPACT END OF YEAR COMMUNICATION ON PROGRESS
(COP)
2008-2009**

Company Name:

Nuqul Group

Date:

9th July 2009

Unit Address:

Building No. 84, Mohammad Ali Budair Street,
North Abdoun, P.O.Box: 154 Amman 11118
Jordan

Membership Date:

12th July 2007

Country:

Amman-Jordan

Number of Employees:

5,500 Employee

Contact Name:

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Sector:

Private-Industrial

Nuqul Group's Statement of Continuing Support:

Sparked by a financial crisis in 2008 that had its origin in the lending practices in the United States, much of the industrialized world entered into a global recession; many of us alive today have never witnessed or lived through one at this magnitude. Consequently, it was and continues to be a game changer for how businesses conduct themselves just to remain solvent during the fallout. These changes in business behaviors produce far reaching repercussions towards the progress in Human Rights issues, Environmental Initiatives, and Anti-corruption measures. Some of these areas of concerns have either slowed down or worse, may have even taken a step backwards.

The challenge for Nuqul Group and for any business is to stay focused on its core values as it relates to promoting these issues. At Nuqul Group we believe uplifting social responsibility in Human Rights, reducing our Ecological Footprint, and holding ourselves not just to the minimum legal requirements, but setting the standards to a higher level, regardless of the economic cycle phase, is the right thing to do. This, we believe, will drive sustainability for us as a business and spawn innovation and growth.

As evident in how we view our human resources, they are our most important asset. We take great care and pride in how we build long-term relationships with all stakeholders and respect the roles of shareholders, staff, customers, suppliers, service providers, NGOs, and official authorities. It is the only route to "Growing Together".

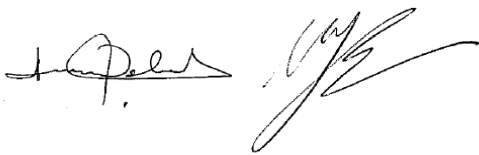
At Nuqul Group we strive to build a sustainable organization and we are committed to protecting the fragile environment by actively reducing our waste emissions into the air, reducing water consumption per finished goods output, and by enhanced efforts to further recycle our by-products so as not to promote landfill pollution.

And lastly, at Nuqul Group, we have recently implemented the, "Ethical Conduct" code. This helps us carry out the highest standards of ethical behavior when conducting business activities.

As we work through this year and look optimistically into 2010, we will progress on the momentum of these important endeavors through our commitment to the Global Compact. We see this as making a positive difference for the many lives we come in contact with, these are the rewards of becoming a sustainable company.

Nidal Eses and Salim Karadsheh

CEOs of Nuqul Group



NUQUL GROUP:

Nuqul Group started in Jordan in 1952 as Nuqul Brothers Company by its founder and Chairman of the Board, Elia Nuqul. It was then a modest operation trading in the importation and distribution of foodstuffs. Through sustained efforts, Nuqul Brothers Company later evolved and became a recognized and reputable business establishment well known in the markets of Jordan and Palestine.

Over the years and due to a combination of factors - primarily a small Jordanian market, existing trade barriers amongst Arab states and the occupation of the West Bank in 1967 - management embarked on a strategy that centered around integrated industries, expansion and diversification. Today, largely due to those concerted and strategic efforts, Nuqul Group is a leading regional industrial conglomerate. Nuqul Group brings together 31 regional and global companies, with exports to 47 markets across the globe, with its core business in hygienic paper products and employing over 5,500 people in Middle East, North Africa and the Americas.

MISSION STATEMENT:

Nuqul Group is a leading enterprise devoted to providing customers with the highest quality products and services. We strive to achieve success in our investment, always adhering to the strictest ethical and world class standards. We place high priority on investing in our human resources and in servicing our communities.

CORE VALUES:

Core Values are deeply ingrained principles which guide our actions. They serve as cultural cornerstones. They can never be compromised, either for convenience or short-term economic gain. They are the source of our distinctiveness, strength and alignment and must be maintained at all costs. At Nuqul Group, we believe that these core values are what we need to succeed in the future. At Nuqul Group, we also believe that these are the minimum behavioral and social standards required for any member in our Group. As some of these values are inspirational while others are minimum-to-play values, we opted not to differentiate between them. Thus all are presented as our core values that we all strive to conform to. Nuqul Group Core Values are:

- **Our People Are Our Asset**
(Our Family, Equal Opportunity, Fulfillment and Keeping the Balance)
- **Our Sense of Belonging**
(Ownership, Pride, Passion and Integrity)
- **Our Pursuit of Excellence**
(Quality, Technology, Efficiency and Our Social Responsibility)
- **Our Winning Style**
(Focus, Trust, Fact-Based Decisions, Responsibility & Authority, Accountability & Reward, All for One & One for All, Relationship and Value Creation)

Human Rights:

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights

Actions

Nuqul Groups first value statement: "Our Human Resources is our most important asset. At Nuqul Group we firmly believe that if we get the right people on the bus they will determine where the bus should go. We are the best, but we never let it rest. Nuqul Group commits to continuously develop its most treasured asset."

Nuqul Group provides Security, Safety, Benefits, and Training & Development of its employees, as well as growth opportunities.

Through an established Security Management System (SMS), its purpose is to preserve a secured work environment free of burglary, threat, intimidation, harassment and/or violent act.

Nuqul Group's Safety Vision Statement: is "All Accidents are PREVENTABLE." Consequently, managing workplace health and safety is an important goal for Nuqul Group in order to provide a better working environment for employees by reducing hazards and risks, as employees have a right to work in a hazard-free environment. Nuqul Group has been certified as OHSAS 18001, an internationally recognized occupational health and safety management standard. In addition, the Group has deployed a comprehensive assessment tool covering 16 key areas of safety to guide sustainable improvements such as planning for emergency preparedness and response, planning for hazard identifications, safety document control, etc. The Group has also initiated Hazard Risk Evaluations and Risk Assessments which operates at all unit levels to promote employee participation to reduce preventable accidents.

The Accident Frequency Ratio (AFR) and the Accident Severity Ratios (ASR) are key safety performance indicators used by the Group. The AFR is the number of injuries per 100 employees and the ASR is the number of lost work days per 100 employees. The Severity Incident Ratio (SIR) is the average number of lost days per incident.

For 2008 (January-May), the **AFR = 2.32; ASR = 55.08. SIR = 23.74**. For this year, 2009 is pacing through May at **AFR = 0.71; ASR = 12.77. SIR = 18.09**

Employees throughout the organization and at all levels have a formal suggestion system, which allows them an opportunity for their ideas or concerns to be addressed. This provides everyone with a voice.

A formal Grievance & Appeal System provides a harmonious relationship between the employee and supervisor. The system has an established procedure for the orderly, fair and speedy resolution to handle disputes.

Actions

Providing the needs of the employees in terms of job security, compensation and benefits package is provided to all employees.

Business growth means greater opportunities for employees: personally, professionally and financially. Nuqul Group provides a platform for continuous development of its staff, creating a competitive edge for the employees as well as the business. In part, the Performance Development Policy is an appraisal methodology used to design a scheme for performance enhancement and development. It is also used to determine how employees are performing, in order to evaluate annual increases and to compute annual bonuses in an objective and equitable way.

Employee Training and Development is a process in which employees are provided with the skills and competencies necessary for performing their respective jobs. Stressing the need of continually increasing employee development and competency through training enables one to be innovative and creative.

Measurement of (expected) Outcomes and Value

The SMS ensures the highest level of facility security through using cost effective, state of the art security hardware devices, equipment and systems which serve as countermeasures to constantly changing attack techniques, tools, methods, and/or targeting trends.

By setting safety objectives of the Nuqul Group, establishing a comprehensive Safety system, responding to emergencies when it occurs, allows reduction of recognized hazards to acceptable levels and to reasonably prevent accidents, which is aligned with the over all Group safety vision.

Nuqul Group designs its compensation and salary scale to be competitive in various operating countries based on scientific market studies to ensure the positioning strategy. Nuqul Group regularly reviews and updates its salary scale based on market surveys results to maintain the competitive position and to satisfy any regulations related to minimum wage pay, where the entry level minimum wages are above the related country minimum wage pay across all companies within the Group. For example, during 2008, adjustments were made to employees' salaries in the Lebanon operations to satisfy the new decree which included adjustments to minimum wages scales and cost of living (inflationary) increases. In March of 2009, wages were adjusted upward in the Iran operations to satisfy new pay regulations.

Measurement of (expected) Outcomes and Value

Each Business Unit is required to target aggressive annual performance improvements in its AFRs and ASRs. The targets have been established to reduce its previous years' performance by $\geq 25\%$. Thus, 2009 has an overall goal of AFR at 1.40; ASR at 33.35. As compared to 2008, the current results for this year (January through May) show a **significant improvement of 69% and 77%**, respectively. The SIR shows an improvement too, by 24%.

By adhering and promoting the Human Rights principles, it is Nuqul Group's belief that it will continue to be recognized as an employer of choice. Nuqul Group's employee turn-over rate (includes both, voluntary leavers and Group instigated actions) varies from one country to another. The overall target for the Group is to reduce the separation turnover rate of non-labor levels to less than 15% annually.

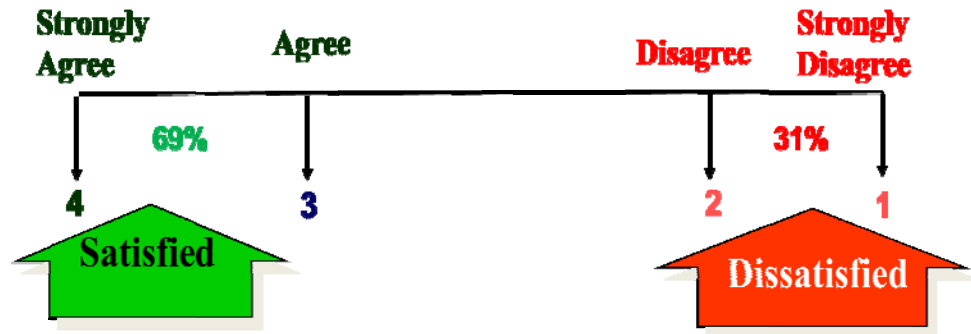
As evident by a lower overall turnover:

Country	Annual 2007 Actual	Annual 2008 Actual	Estimated 2009 (Annualized Based on Q1) Projected
Jordan	54.3%	45.8%	27.3%
Egypt	6.7%	12.7%	9.2%
Saudi Arabia	14.7%	13.0%	13.2%
United Arab Emirates	20.4%	11.8%	9.6%
Lebanon	21.5%	24.4%	N.A.
Nuqul Group (Total)	32.9%	29.6%	19.1%

Turnover rates are showing reducing trends. It can be argued that economic conditions are contributing factors, nonetheless, recent strengthening of Human Resources' policies; to ensure equity among all employees, and market competitiveness of its compensation and benefits are consistently maintained and enhanced, and it is always a priority based on core values.

Measurement of (expected) Outcomes and Value

During 2007 Nuqul Group conducted an employee satisfaction survey, which measured the satisfaction of the employees in 16 different categories: Recruitment, Performance Management System, Culture, Leadership, Quality of Life, Communications, Training & Development, Empowerment, Compensation & Benefits, Reward & Recognition Welfare, Immediate Supervisor, Interpersonal Relationship, Health, Safety & Environment, Technology / Innovation, and Customer Orientation. The results indicate that 7 out of 10 employees were satisfied. Nuqul Group will be utilizing a third party to conduct employee satisfaction survey.



Principle 2: Business should make sure that they are not complicit in human rights abuses

Actions

Nuqul Group's "Code of Conduct" demands and maintains the highest ethical standards in carrying out its activities. Nuqul Group core values are the heart of this Code. Nuqul Group expects and urges its employees to carry out their responsibilities in a professional and ethical manner. It expresses the principle of conduct and is intended to assist all employees in meeting the highest standards of professional integrity required of them.

Core values, supports the United Nations Universal Declaration of Human Rights, and thus, Nuqul Group also expects its suppliers to do likewise; no partnership is sustainable without a high level of ethical behavior.

**Measurement of
(expected) Outcomes
and Value**

Nuqul Group has not been complicit nor does ever expect to be complicit in violation of human rights abuses whether through direct involvement (through beneficial involvement via third party), nor assisting other parties by remaining silent.

Throughout its history, Nuqul Group has enjoyed a high reputation in fair dealings with its relationship with stakeholders and with the region.

Labour Standards:

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Actions

Nuqul Group recognizes and respects the employee's rights to actively join associations of their choice and to collectively negotiate the terms and conditions of work with management within applicable countries.

Nuqul Group also believes in the importance of effective communications with all of its employees by ensuring the availability of various forms of the communication channel such as regular meetings, open discussions and consultations, the suggestion systems, Grievance & Appeal System, and the Corporate Integrity Hotline.

Measurement of (expected) Outcomes and Value

In 2008, Nuqul Group in Jordan, signed a Collective Labor Agreement with the Union for salary increases. This Agreement demonstrated the Group's openness to collective bargaining approaches. Regular communication and coordination occur on an ongoing basis between the unions, employees, and management, to ensure mutual benefits for all parties.

The Grievance & Appeal System and the Corporate Integrity Hotline System (CIH) were developed and implemented to address both daily and work related issues and concerns such as:

- Breach of Policy, Core Values, and Code of Conduct;
- Issues directly pertaining to unfair treatment;
- Culture of commitment towards integrity and ethical;
- Ensure compliance with internal policies, regulations, and laws.

The Corporate Integrity Hotline System is a vehicle with multiple options that provide employees with an independent system to report unethical behaviors and questionable matters anonymously. The CIH promotes honesty, responsibility, and fairness and institutes a culture of no-tolerance for ethical violations. The communications within the system are not traced and the information is treated in a confidential manner.

Nuqul Group conducts regular awareness sessions on these systems to ensure all employees are aware of them and know how to use them. These systems support the principles of Freedom of Association as well as lending itself to openness and transparency in the organization's everyday conduct.

Moreover, Nuqul Group's management is in direct contact with the Union representatives in the Egypt operations on a regular basis working out any concerns. As always, at this point there are no issues as both parties honor the agreements within the labor contract.

Principle 4: Business should uphold the elimination of all forms of forced and compulsory labour

Actions

Nuqul Group operates in member countries supporting the UN's agency, the International Labor Organization (ILO). More specifically, Nuqul Group stands committed towards achieving the goals of ILO's CO29 which addresses the concerns of all forms of forced and compulsory labor.

Nuqul Group abides by its own policy and local labor laws and regulations. All of its operations are 100% free of any forms of forced and compulsory labor. Its policy and procedures related to hiring people are constructed based on its own corporate core values and the laws and regulations approved by the ministry of labor (or equivalent governmental body) in the applicable countries.

**Measurement of
(expected) Outcomes
and Value**

Nuqul Group's core values are continuously communicated and emphasized to all employees at all levels to ensure they are all living these values. It is identified for all senior members of management as one of their major Key Performance Indicators during 2008 and 2009 performance evaluations.

Some of the tools and actions used to live the Core Values are: Core Value Awards, Quizzes, Refresher Sessions, and Core Values Awareness Campaigns during 2008 and 2009.

Nuqul Group is fully abiding by local labor laws and regulations in regards to compulsory labor law. Its internal systems are monitored and promulgated by the Group's legal advisors to ensure its continuous compliance with relevant laws in all of the countries of operations.

Number of forced/compulsory labour cases = 0.

Principle 5: Business should uphold the effective abolition of child labour

Actions

Nuqul Group is committed to achieve the goals of the International Labor Organization (ILO) C138 & C182 by exceeding the compulsory schooling age 15 years of age (as stated in the ILO Articles) to not less than 18 years of age to work at any one of its operations.

Nuqul Group supports the Ministry of Labor (or equivalent governmental body) regulations - In applicable countries - and adheres to its policies and procedures by not hiring persons under the age of 18, to ensure the abolition of child labor.

**Measurement of
(expected) Outcomes
and Value**

Nuqul Group is fully abiding by local labor laws and regulations with respect to Child Labor. Its internal systems are monitored by the Human Resources Department to ensure its continuous compliance with its own policies and with relevant laws in all of the countries in which it operates.

Number of under the age 18 staff = 0.

Principle 6: Business should uphold the elimination of discrimination in respect of employment and occupation

Actions

Nuqul Group's second core value, Equal Opportunity, states, "Nuqul Group is heterogeneous in terms of gender, race, and ethnicity. At Nuqul, we appreciate the value of diversity. At Nuqul, we grant equal opportunity in all aspects of employment to all qualified persons without unlawful discrimination".

Nuqul Group has a set of systematically designed and developed documented manuals that cover all organizational functions and activities. With respect to equal opportunity employment, the Group identifies the job specifications for all jobs and implements the proper set of tools to explore the candidate's skills and experiences and matching those with the job requirements. The recruitment policy establishes:

- A fair and consistent procedure to recruit and select candidates.
- Promotes a positive public image about NG through the application of the merit principle and equal opportunity principle.
- Ensures an adequate range of candidates is attracted for position vacancies.

Compensation and salary scales have been designed to be competitive in various operating countries based on scientific market research studies. The salary scales are reviewed periodically, and are updated based on market surveys to maintain a competitive position and to satisfy or exceed applicable regulations related to minimum wage standards. It is important to note, that in countries where different pay scales have been adopted based on different nationalities (i.e: KSA); Nuqul Group makes no distinction among the different nationalities by incorporating a unified pay scale for all of its employees, regardless of their ethnic background.

Also, as part of its ongoing belief in diversity and gender equality, Nuqul Group is a key partner in the Engendering the Public Sphere Project (EPSP) with the Jordanian National Commission for Women (JNCW), Ministry of Labor, Ministry of Planning, the Department of Statistics, and the Danish Center for Information on Women & Gender (KVINFO).

Measurement of (expected) Outcomes and Value

Nuqul Group continues to recognize merit and performance salary increases to all employees on an annual basis as part of its overall compensation package and the individual performance development system. During the 2008 EPSP Project, several activities took place to promote and enhance the skills and capabilities of the project members, for instance:

- Amendments to the recruitment templates;
- Development of systems that address women/gender concerns;
- Training and Awareness Sessions in coordination with JNCW.

In early 2009, Nuqul Group in coordination with KVINFO, Nuqul Group’s Danish project partners visited a major pharmaceutical company, Novo Nordisk. Well-known for its best practices in areas of Health, Diversity and Social Responsibility. The intent of this visit was to be introduced and to learn Novo Nordisk’s:

- Current HR Systems and procedures/ HR best practices; in order to identify areas of improvements for the Group.
- Their gender related systems and initiatives and how such are integrated with the HR system.

33% is the percentage of the working female in Nuqul Group Head Office, and the number of discrimination complaints is ZERO.

Also, as part of Nuqul Group ongoing belief in diversity :

Nationality	% of Employees	Nationality	% of Employees
Jordanian	46.268%	Egyptian	24.9%
Indian	12.7%	Lebanese	3.3%
Saudi Arabia	2.5%	Bangladesh	2.0%
Palestine	1.8%	Sudan	1.1%
Iran	1.0%	Philippines	0.9%
Morocco	0.8%	Pakistan	0.7%
Nepal	0.6%	Algeria	0.6%
Yemen	0.3%	Syria	0.2%
Iraqi	0.1%	Areteria	0.1%
USA	0.044%	British	0.022%
Romanian	0.022%	Sri Lanka	0.022%
Chad	0.022%		

Environment:

Principle 7: Businesses should support a precautionary approach to environmental challenges

Actions

“At Nuqul Group, we strive to bring excellence to the quality of the impact of our existence on the community and environment”.

At our core business units, the Group have chosen to use Forest Stewardship Council (FSC) & Program for the Endorsement of Forest Certification (PEFC) certified products and sources in order to contribute to responsible forestry management. An essential component of these certifications is the Chain of Custody (CoC) certificates. This provides a credible guarantee to its customers that the products are originating from suppliers that promote sustainable forest management.

In order to help protect the fragile ozone layer, the Group adheres to the Montreal Protocol. The Maintenance Departments have taken an inventory of all support chemicals which contain substances, such as chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs) which are known to deplete the Ozone Layer. Maintenance management is in the process of seeking and using ozone-friendly substitutes.

In support of stabilizing greenhouse gas emissions, the Group is also following the Kyoto Protocols in reducing carbon dioxide levels, through a green energy solution initiative...a co-generation (12.5 MW) natural gas (cleanest fossil fuel) turbine unit. These co-generation units are configured such that the hot exhaust gases are used in the drying production process, which allows registration with the United Nations to trade in as Carbon Credits.

Along with the co-generation unit, a continuing process of phasing out of all diesel-powered forklifts and replacing them with either Liquid Petroleum Gas (LPG) units or electrically charged (battery) operated units.

Even the company sales cars that are fueled with diesel are being replaced with Liquid Natural Gas (LNG) vehicles during the scheduled exchange-time.

As Jordan is facing severe threats regarding the disappearance of biodiversity in its ecosystems, Nuqul Group participates in and sponsors the interest of society and the environment by supporting Al Shajarah (NGO). In launching an educational campaign for forests in Jordan through the "Care For Tree" Program with the help of the Dutch National Tree Foundation; which aims at increasing the awareness levels of 9 through 12 year-old students in selected areas in Jordan. It will also include planting 5,000 tree saplings.

**Measurement of (expected)
Outcomes and Value**

Having been certified in both FSC & PEFC, in 2008, Nuqul Group is assured wood/pulp products are not being illegally harvested and are not sourced from:

- Areas being converted for other land uses;
- Genetically modified trees;
- Areas where there is a clear demonstration of traditional or civil rights violations; or the dispute among the indigenous population;
- Uncertified, high conservation-valued forests.

By mid-year, reduction in SKUs containing either CFCs or HCFCs was achieved by 50%. The Group is scheduled and committed to be CFC/HCFC-free before the end of December 31, 2009.

Thus far, switching from diesel fueled forklifts to electrical forklifts has cut fuel cut fossil fuel by 40%.

Natural gas will replace #2 diesel and heavy fuels (i.e. #5 grade & #6 grade). Any of these fuel oils contain long hydrocarbon chains and Nitrogen Oxides, etc., which exacerbates global warming. Whereas, using an alternative fuel like natural gas emits significantly less harmful emissions because it is primarily composed of ethane gas.

Principle 8: Business should undertake initiatives to promote greater environmental responsibility

Actions

“At Nuqul Group, we believe efficiency is our ally. Waste is our enemy. Waste, whether in material, resources, time or due to an injury or lost opportunity, cost money, serves nobody, and is paid for by all stakeholders.”

Nuqul Group has been certified in ISO 14001, an internationally recognized environmental standard. The aim of this standard is to reduce its environmental footprint within the scope of the business by decreasing generated pollution and waste during the production process.

This was accomplished by reducing input resources, reusing waste back into the production process and sending production by-products (waste) to third parties to be recycled.

One of the core products are diapers. New technologies have enabled the Group to reduce the pulp that goes into each and every diaper by 20% without compromising established performance standards.

Most of the plastic packaging material thickness has also been reduced by 20% without compromising its integrity.

Overall, witnessed decreased use in fresh water consumption throughout the facilities. For instance, a reduction (by 3%) of reject process water, optimized shower nozzles (using 35% less water), high-efficiency pump seals (reduced water usage by 12%), replaced open-looped chillers with closed-looped chillers (reduced water usage by 14%), with regards to a major boiler, replacement of an outdated flash steam condenser to a more efficient one—this in turn allowed a reduction of the amount of boiler make-up water needed (thereby, reducing water usage by 20% and fuel consumption by 3%).

With existing boilers running on kerosene and other heavy fuel oils, a reduction of hood/stack heat losses through better design and insulation coupled with electronic gas monitors and recalibration addressed fuel and air variations that provide an ideal damper settings and ideal burner settings. As a result, hood thermal energy loss was reduced by 20%. The Low BTU Gas boilers decreased its heat loss by 18%; and the Heavy Fuel Oil boilers reduced heat losses by 15%.

From a geographic location, at one of its major facilities, it made sense to have an on-site generation plant. This reduced the amount of electricity loss utility companies experience during the delivery process.

Actions

Through better chemistry, re-injection of non-conforming material (for example, non-woven product) into the production processes as input material rather than it going to landfill. All this, while keeping true to its values, that it will not compromise on its quality standards of the finished goods for its customers. Further reductions in waste to landfills was achieved by selling discarded cardboard, discarded nylon and other recyclable materials to licensed sorting and recycling businesses.

Renewal of the local community resources through the involvement of its employees is accomplished by planting tree saplings every year.

Through education and inducements, carpooling efforts were promoted last year in an effort to reduce the amount of carbon monoxide emissions. The Sales & Marketing Department has instituted a procedure in controlling and monitoring this activity to track fuel consumption on a periodic basis.

Measurement of (expected) Outcomes and Value

Reducing any major product line by 20% of its make-up for the same number of unit outputs saves a significant amount of input (natural) resources. The energy that would have been required to process also has been avoided.

Using less material for packaging to obtain the same result, allows the Group to do more with less, thus saving valuable resources. The Group has been able to reduce our packaging materials an average of 25%.

In terms of water conservation: A decreased usage in overall water consumption from 10-15 m³/ton of paper (an industry standard) to 6-6.5 m³/ton of paper. This is a 43% savings in water consumption.

In 2007, the "Zero Water Discharge Project" began treating 1,500 m³/day of industrial wastewater, recycling it back into the manufacturing process. This process continues today.

Additionally, the sewage treatment plant for the Group's industrial complex treats its water, which is reused for agricultural irrigation.

By having an onsite power generation our energy production efficiencies increased to 88%. This is a 13% increase over utility transmission lines.

As of last year, over one million trees were planted. This effort continues to bring environmental concerns to the forefront for both the employees and the community at large.

Records for the carpooling monitoring showed significant decrease in fossil fuel consumption.

Principle 9: Business should encourage the development and diffusion of environmentally friendly technologies

Actions

“At Nuqul, we apply Best Applicable Technologies (BAT) to offer all stakeholders superior value. We commit to maintain our position one step or more technologically ahead of others.”

In a planning campaign, whether it is purchasing a new machine/process or building a new manufacturing facility, the Management Team considers the environmental aspects of each decision, analyzing inputs and outputs that could have an impact on all interested parties. For example, the relocation of a diaper manufacturing site was positioned such that machine vibration and noise drift was effectively reduced using newly available technology.

In the layout phase of the diaper plant, the Group used CAD and logistical software to separate the raw material warehouse from the other portions of operations and yet maintained optimal material movement. Doing so significantly lessened the chance of fire or fire spread, thus reducing the possibility of experiencing the release of harmful particulates into the atmosphere.

Nuqul tissue products feature the WetPro® process, which allows tissues to dissolve quickly in water (biodegradability), reducing the amount of solid waste going to landfills.

**Measurement of
(expected) Outcomes
and Value**

Using the right technology for our applications provides us with economic value and helps the Group to become good neighbors with the surrounding communities.

Improving the life-cycle of our products through propriety innovation not only gives the Group a competitive advantage, but does so without compromising the performance characteristics of the product when in use.

Anti-Corruption:

Principle 10: Businesses should work against all forms of corruption, including extortion and bribery

Actions

Corruption is recognized as one of the world’s greatest challenges, it acts as a major hindrance to sustainable development taking into account that the impact on private sector is also considerable; as long as it prevents economic growth, distorts competition and represents legal and reputational risks.

Nuqul Group has implemented high standards of ethics and integrity in carrying its business on all levels where all the employees shall respect and abide by.

Code of Ethics

- Employees of the group must not receive or accept any bribes, gifts, payment or compensations, or engage in any business dealings which are intended to influence a business decision or compromise an independent.
- Employees must not discuss the possibility of a bribe to a vendor or government entity to secure a certain deal.
- Employees must not accept any personal fees for any matter related to their job.
- Employees must not take advantage of their positions to extort others (competition ethics) to obtain advantages of any opportunity for personal interest gains.

Measurement of (expected) Outcomes and Value

- Adopted the International Accounting Standards.
- No incidents of corruption within the reported time.

Availability of this Communication on Progress (COP)

This COP is available on-line at www.unglobalcompact.org and www.nuqulgroup.com. It will also be distributed to company employees, board members, clients, suppliers, associates and other members of the Nuqul Group network, as appropriate.