
Annual Report

Emirates Transport

2012



مواصلات الإمارات
Emirates Transport





His Highness Sheikh Khalifa bin Zayed Al Nahyan, President of the UAE

«Given the rapid and successive changes, we believe that our national economy needs quality investment that brings the advanced technology and management and technical expertise so as to enable our national product to compete in world markets. Therefore, we are continuing, God's willing, to work on the formation and creation of a balanced economic structure, depending on diversifying the sources of income, ensuring the continuation of the new growth rates in all sectors, and improving the standard of living and income of individuals.

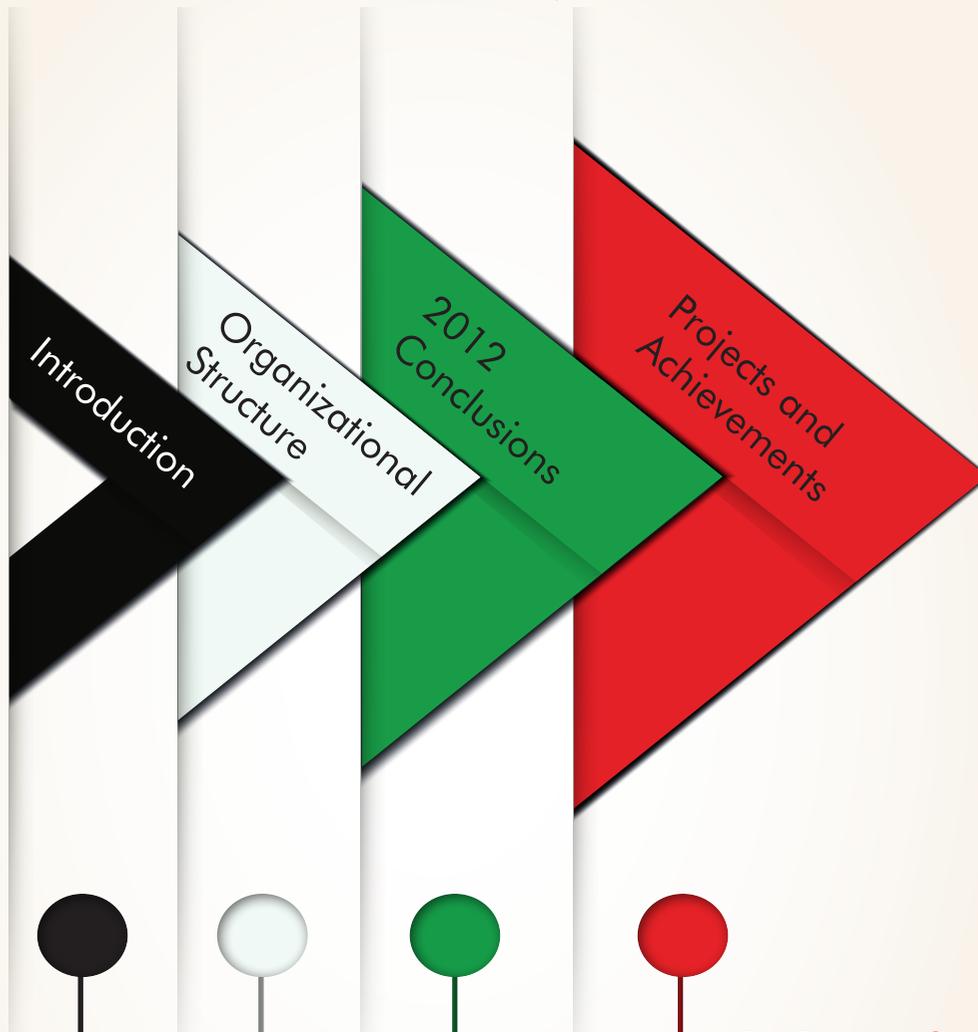




**His Highness Sheikh
Mohammed bin Rashid Al Maktoum
UAE Vice President, Prime Minister and Ruler of Dubai**

The best way to ensure the continuous development and improvement of the overall performance for the interest of the nation and citizens is materialized by spreading awareness about the concept of government excellence, encouraging the continuous education process, focusing on improving government services and transfer and exchange of experiences between the federal government organizations on one hand, and communication with the locally and internationally distinct organizations, on the other hand. Excellence has become a fundamental approach for each employee in the federal government, to achieve UAE Vision 2021)).

Contents

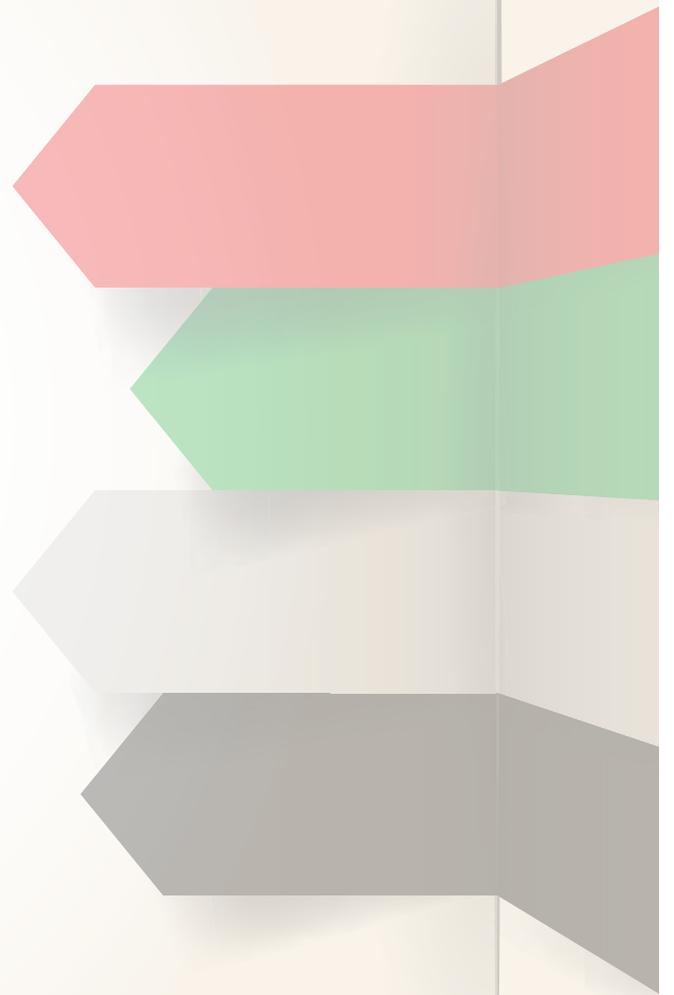


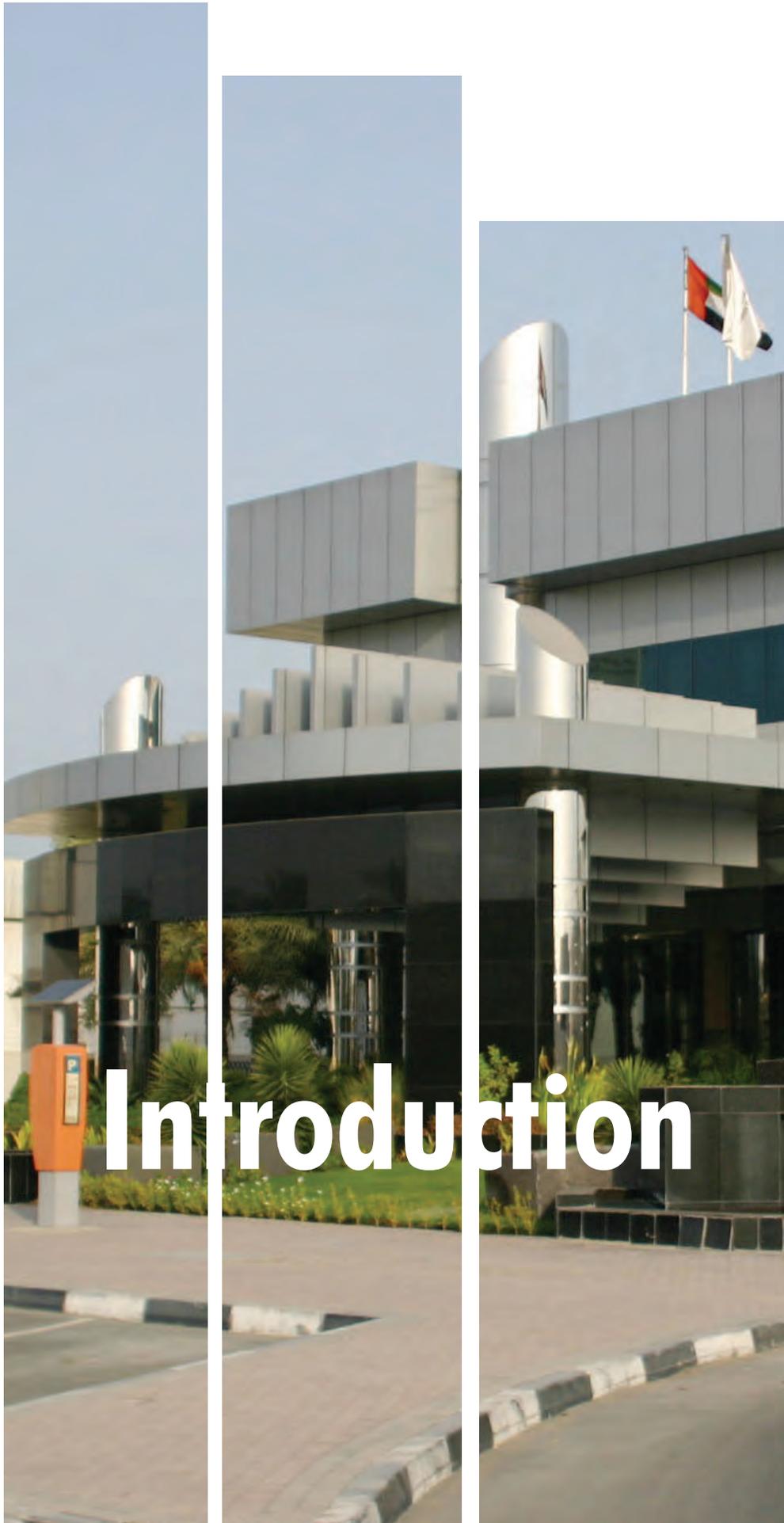
10- Vision & Mission
12- Chairman's Message.
14- General Manager Report

16- Organization Sites Map.
18- Board of Directors.
20- Organizational Structure 2012.

22- 2012 Conclusions
24- Strategic Plan - Conclusions 2012.
26- Operational Plan Conclusions 2012.
28- Human Resources – Training.
30- Risks Management
32- School Transportation

34- Business Centres Indicators
38- Projects and Achievements 2012.
50- Governance and Disclosure.
53- Financial indicators for 2012
56- Investment initiatives 2013.





Introduction

- Vision, Mission & Values
- About the Organization
- Chairman's Message
- General Manager's Report



About Emirates Transport

Emirates Transport was founded in 1981, with the aim of organizing and managing transport and maintenance services, and supervising operation of the various federal and local government authorities, and private sector organizations.

The organization adopts a leading strategy in transport and technical services sector in the country, through the school transport Centre, 20 business Centre , 6 subsidiaries, and 33 locations

at the national level, including 9 branches, namely, Abu Dhabi Branch, Western Branch, Al Ain Branch, Dubai Branch, Sharjah Branch, Ajman Branch, Ajman Branch, Central Branch, which includes (Umm Al Quwain, Dhaid, Masfoot and Hatta), Ras Al Khaimah Branch, and Eastern Coast Branch), which includes (Fujairah and Khor Fakkan, Kalba and Dibba).



Vision and Mission



Vision

Excellence and leadership in transport services on the local and regional level, according to the highest international standards.



Message

Emirates Transport is committed to its national objectives to serve the community through the leadership in providing collective, comprehensive, safe, comfortable, and cheap transport. It seeks to be the optimal choice for different categories of its customers through excellence in providing diverse transport services in professional efficiency and sophisticated care.



Values

- » Safety: we are committed to apply the highest levels of safety and security.
- » Excellence: we are keen to corporate upgrading and excellence.
- » Care: We take care to adhere to the highest levels of behaviours and positive relations.
- » Commitment: We are committed to satisfy our undertakings, highest ethics and professional performance.
- » Professionalism: We provide the most efficient economical transport solutions.
- » Creativity: we innovate the most modern creative solutions for development and innovation.
- » Cooperation: We all participate in building our aspirations.
- » Knowledge: We invest in the ongoing rehabilitation of our human resources through an educational environment.



Our journey continues



Chairman's Message

On behalf of the Board of Directors of Emirates Transport:

I am pleased to present the annual report of Emirates Transport for the year 2012.

Emirates Transport performance during 2012 featured with strength, growth and steadiness in financial, management and operational aspects.

The organization depended on its strategic vision emanating from the federal government plan for 2011 - 2013, and UAE Vision 2021, focusing primarily on strengthening its financial position, providing quality services to customers according to the highest safety and quality standards, and ensuring the quality of management services.

This was positively reflected in achieving high revenues exceeded AED1.3 billion and record profits of about AED102 million. It further lifted the total assets to AED1.662 billion. Capital and reserves increased up to AED550 million. Capital Revenues increased to 36%.

Thus, the organization could develop its current services, engage in new investment activities, and implement quality programs to improve profits and diversify the services provided. The measures mentioned above came in line with the strategy set by the Board of Directors of Emirates Transport 2011 - 2013, supported by the investment plan for the years 2012 - 2016. To boost this success, the Board of Directors

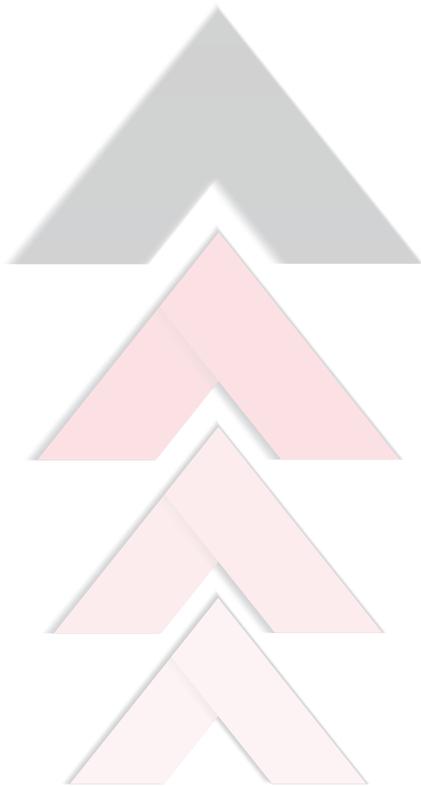
decided to create 7 specialized departments to monitor the performance of the organization departments, branches and business Centres. The new departments are Supporting Services Department, Corporate Services Department, Business Development Department, logistics Department, Technical Services Department, Transport and Leasing Department, and Transport school Department. Each department has an executive director oversees the department and follow-up its tasks.

The organization succeeded in achieving impressive results and significant achievements in the corporate field. It received many awards and certificates of excellence, quality and sustainable transport, the most important of them is the Emirates Award for Government Excellence at its second session. It has also become the first government organization to win Dubai Chamber CSR Label.

The organization Board of Directors and senior management continued their efforts in coordination with the Monitoring and Risks Committee as well as other organizational units in the organization, during 2012, to identify the most important potential risks that may encounter the organization in the performance and expansion of its activities and services. Then, the organization developed an evident implementation time plan to dealt with such risks in advance and handle them optimally.

We reassure our standing commitment to go ahead in the development and growth process. Our success will, God willing, expand, thanks to the good visions and ambitious aspirations set by the federal government of United Arab Emirates under the leadership of His Highness Sheikh Khalifa bin Zayed Al Nahyan - may Allah protect him - and the follow up of His Highness Sheikh Mohammed bin Rashid Al Maktoum, UAE Vice President and Prime Minister and Ruler of Dubai - and the efforts of their brothers Their Highnesses Rulers of the Emirates.

Humaid Mohammed Al Qattami
Chairman



Promising Investment Outcomes



Report of the Director-General

Emirates Transport performance during the year 2012 mainly featured with the emphasis on the diversification of the services provided and take advantage of the opportunities available in the transport and technical services sector in UAE, and promoting the strategic partnerships with our customers from the organizations of both public and private sectors.

The organization has actively maintained its plans towards enhancing its contribution to the development of the national investments and diversification of its financial revenues. The record results achieved by the organization through the year financial 2012 financially indicate clearly that Emirates Transport have succeeded in achieving quality steps to be transformed from a government service organization into a national investment organization. These results have further helped to establish a leading government example in the UAE, took a leading position among the federal bodies and organizations through having excellent services system in the sectors of transport, communications, leasing, technical maintenance and related services, which entrenches the UAE leadership among the Arabian Gulf, regional and international countries in this regard.

Throughout the year, we have used our best endeavours to develop our customer base, attract a large number of new customers, and strengthen our leadership in the sector of the transport and technical services. This has been able to have 300 strategic partners and customers. Marketing and promotional visits was intensified along with our key partners and customers and

worked continuously on enhancing our relations, and activating our joint cooperation. We heard the notes and opinions of those partners and customers to develop and expand the services provided to them.

The best practices that we adopted to sustain develop our competitiveness have been fruitful. We have been distinguished in performing all our activities and operations, as we could ensure safe and sustainable transformation. There is no doubt that all such continuous efforts contributed to raise and improve the life quality of the UAE citizens and residents in the state, and enhanced their safety levels, whether in relation to our vehicles, or service-providing sites, and our various administrative practices..

To achieve this end, we have taken successful steps with respect of the plans aimed at the expansion in the existing markets by expanding our services provided to 13 key customers and partners in local, private and federal government sectors. We have also conducted feasibility studies to provide new services for hotels, private schools and universities sectors.

We went ahead to keep pace with the best technology, apply the latest technological systems and develop business systems as we are fully aware that they are elements of empowerment we are looking forward in the future.

During the year 2012, the organization has succeeded to provide a new package of services through its business Centres, including the launch of heavy equipment maintenance and manufacturing unit, technical examination unit in Dubai, and dry cleaning car machines unit, in addition to the development of the chilled transport services unit.

In 2012, the organization partnered with Etisalat to establish Emirates Facilities Department, and another partnership with Fujairah Transport Company through which we incorporated Reyama Taxi to provide passengers travel services by taxis in the Emirate of Fujairah, as well as the Incorporation of Emirates Guards company.

By the end of 2012, the number of Centres that have become affiliated with the organization business Centres reached 20 Centres provide full-service-system in different sectors. The total fleet of vehicles owned by Emirates Transport has reached 12000 buses, cars and motorcycles.

During 2012, many of the organization-affiliated sites and buildings have completed and developed in various parts of the country. In Dubai, the construction of a factory workshop for tires dressing in Warsan area and the houses

for the workers in Madinat Zayed in the Western Region have completed. In Ras Al Khaimah Branch, we have completed the construction of the administrative building for Al Thaid and Rams stations, and a specialized workshop for car washing in Al Thaid Station. In the East Coast Branch, the administrative building for Al Hail Station in Fujairah and technical services workshops have completed. Similar workshops in both Khor Fakkan and Kalba stations and the maintenance and renovation of the buildings of Abu Dhabi and Sharjah branches have also completed.

In terms of the application of initiatives associated with green buildings, two stations for treating and recycling car washing water in Kalba and Al Dhait were built. In addition, we used energy-efficient lighting units in the administrative building of the east coast, for the purpose of rationalization and cost reduction.

Emirates Transport has also launched some initiatives aimed to develop and enhance the relationship with the customers on the internal and external levels and to have access to their notes and suggestions on periodical basis so as to develop the services provided to them.

For example, creation and activation of the Unified Contact Centre on toll-free at 8006006, to receive customer calls and notes after they are rehabilitated and trained on the best ways to deal with the public and reply properly to their calls.

The organization created an Opinion Poll Centre to conduct specialized survey polls on a regular basis on the extent of customer satisfaction with our services provided to them, and identify the strengths and Improvements, and then deal with them optimally in accordance with the criteria set for the delivery of government services in the state.

Our corporate efforts are culminated in 2012, through receiving a number of prestigious local and international awards, most notably was the Award of Government Excellence Performance, and Dubai Chamber CSR Label. In addition, in the category of transport for persons with disabilities, we won at the fifth session of the Dubai Award for Sustainable Transport. The organization could also win the Environmental Excellence Award under Sharjah Environment Company awards. The Organization Branch in the Emirate of Ajman has also won the Ideal Partner Award under HH Minister of Interior Excellence Award.

In school transport sector, a fleet of 120 large capacity school buses each accommodating 60 passengers and another 100 mini-bus of 30 passengers capacity, obtained for the academic year 2012/2013/. In preparation for the upcoming year 2013/2014/, the organization approved the purchase of another 190 school mini-buses as part of modernization and replacement plans.

In the same context, the organization has renewed a school transport agreement with the Ministry of Education for the upcoming two years.

In addition, a number of memorandums of mutual understanding with the partners of

Emirates Transport in the public and private sectors, were entered into to achieve the continuously communication with our customers and partners and meet their needs and help them achieve their aspirations and ambitions.

In confirmation of our continuous commitment to our responsibilities towards the community in which we work, the organization has developed the organizational structure in the organization to be characterized by a high degree of flexibility and rapid response to changing market conditions, and be in line with the geographical specific distribution of our business sites, which contributes to providing the best and highest quality services to our customers wherever they are inside the State.

The new organizational structure included the creation of 7 executive departments. We have appointed an executive director for each department, selected from our distinguished employees.

We also had supporting programs in social responsibility through 2012 which helped expand our successes to serve the community and environment, and to devote our successful practices towards the environment and occupational safety and health, both internally and externally.

In terms of human resources working in the Emirates Transport, there are 12,000 employees, drivers, supervisors and technicians, with the spirit of cooperation and a culture of teamwork. The organization management is very keen to develop career skills, enhance professional capabilities and consolidate potential creativity.

I hereby take this opportunity to express my thanks and gratitude for the unlimited support provided by our wise leadership to Emirates Transport, and fruitful follow-up from His Excellency Humaid Mohammed Al Qattami, Chairman of the Board, his deputy, Saeed Mohammed Al Shared, and their Excellencies board members, and the loyalty and commitments by organization work team.

HE Mohammed Abdullah Al Jarman,
General Manager of Emirates Transport

Corporation Locations Map





Board of Directors



HH Humaid Mohammed Al Qattami
Minister of Education
Chairman



HE Saeed Mohammed Al Sharef
Vice-Chairman
Chairman of the Advisory
Office – Emirates Transport



HE Mdeyah Salem Al Rum
Board Member
Director of Policy and Accounting
Standards - Ministry of Finance



HE Rashid Mohammed Al Shamsi
Board Member
Private Sector



HE Brigadier Ghaith Hassan Al Zaabi
Board Member
Director of Traffic Coordination Department
- Ministry of Interior



HE Omar Saeed Bin Ghalib
Board Member
Deputy Director General of the Civil
Aviation Authority



HE Humaid Bin Butti Al Muhairi
Board Member
Assistant Undersecretary for Corporate
Affairs - Ministry of Economy



HE Marwan Ahmed Al Sawaleh
Board Member
Assistant Undersecretary for Support
Services of the Ministry of Education in
place of HE (Ali Maitheed Al Swaidi.)



HE Mohammed Ahmed Al Mulla
Board Member
Director of the Standards
Department, Emirates Authority for
Standardization and Metrology



HE Abdullah Salem Al Kathiri
Board Member
Executive Director of the road transport
sector in the National Transport Authority

About the Board Members



HH Humaid Mohammed Obaid Al Qattami

**Minister of Education
Chairman of ET since 2008**

He Held a master's degree in Administration from Western Michigan University in the United States of America in 1985 He is currently:

- Chairman of the Board of Trustees of the Sheikh Hamdan Bin Rashid Al Maktoum for Distinguished Academic Performance.
- Chairman of the Board of Trustees of the Sharjah Award for Voluntary Work.
- Head of the local Human Resources
- Development Committee in banking sector.



HE Saeed Mohammed Al Shared

**Chairman of the Advisory Office of Emirates Transport
Vice Chairman of Emirates Transport**

Holds a Bachelor's degree in Accounting and Business Administration since 1981
Worked as a general manager of Emirates Transport since 1987 and up to 2007

- Chairman of the Board of Directors of Dubai Transport Corporation Previously.
- Member of the Founding Committee for Dubai Metro previously.
- Chairman of the Supreme Committee for Traffic in Dubai previously.
- Chairman of the Board of Directors of Association of Accountants and Auditors previously.
- Advisor to the Association of Accountants and Auditors.
- Chairman and a member of audit committees at several points.



HE Rashid Hamad Al Shamsi

Vice Chairman of the Board of Directors of Dubai Financial Market Co.

Board member of the Emirates Transport

Holding a Bachelor of Civil Engineering and Building Science from University Southern California, in 1982.
Worked in the Emirates General Petroleum Corporation (Emarat) since 1983 until became its General Manager from 2002 to 2008.

- Served as CEO of Sama Dubai Real Estate Company, for the period from 2008 to 2011.
- Member of the Board of Directors of the Nasdaq Stock Market since 2010 up to now.
- Former member of the Board of Directors of Gulf Navigation Holding in Dubai for the period from 2007 to 2013.



HE Madiah Salem Al Rum

Director of Policies and accounting standards, at the Ministry of Finance

Board member of Emirates Transport

Holds a bachelor's degree in accounting from the UAE University in 1991.
Started her work at the Ministry of Finance in 1992.



HE Mohammed Ahmed Al Mulla

Director of Standards department at Emirates Authority for Standardization and Metrology since 2007

Board member of Emirates Transport

Holds a certificate of competence in electronic engineering and biomedical engineering from the Colorado Technical University 1988
Began his career in 1989 as a maintenance engineer in Dubai Central Laboratory Department and held the presidency position of maintenance and calibration unit in 1998.
Served as head of Standards Department at Dubai Central Laboratory Department in 2002.



HE Engineer Abdullah Salem Al Kathiri

Executive Director of road transport sector of the National Transport Authority

Board member of Emirates Transport

Holds a master's degree in Project Management Engineering from the University of Glamorgan in the United Kingdom in 2003
Currently attending to get a PhD in civil engineering in Canada
Worked as a director general of Department of Roads and Transport in the Municipality of Abu Dhabi during the period 1987 – 2006
Board member of the General Authority for Civil Aviation, and The General Authority for Ports, Borders and Free Zones.



HE Humaid Bin Butti Al Muhairi

Assistant Undersecretary of Commercial Affairs Sector at the Ministry of Economy

Board member of Emirates Transport

Holds a BA in Economics from United Arab Emirates University in 1986.
Vice-Chairman of the Board of Directors of the Insurance Authority
Board Member of Al Etihad Credit Information Company
Member of the Auditors Committee at the national level
Member of the Commercial Agencies



HE Omar Saeed Bin Ghalib

Deputy Director General of the General Authority for Civil Aviation

Board member of Emirates Transport

Holds a BA in Aviation and Airport Management from the University of Metropolitan State College in Colorado in 1989.
Worked at the Emirates Airlines since 1990, and then became director of international relations and cooperation between the carriers to the Gulf region and the Middle East and Africa until 2008.



HE Brigadier Ghaith Hassan Al Zaabi

Director General of the General Department of Traffic Coordination at the Ministry of Interior since 2007 and to date.

Board member of Emirates Transport

Holds a bachelor's degree in accounting from the UAE University in 1991.
Started her work at the Ministry of Finance in 1992.



HE Marwan Ahmed Al Sawaleh

Assistant Undersecretary for Support Services at the Ministry of Education

Board member of Emirates Transport

Business Administration Graduate from the Higher Colleges of Technology in 1996
Served as Acting Director-General at the National Human Resource Development & Employment Authority (TANMIA) for the period 2003 – 2005
Served as deputy head of Human Resources and organizational Efficiency Department at Dubai Aluminium Company (DUBAL) for the period 2005 - 2012.



2012 Results





The results of the strategic and operational plan for Emirates Transport are the most prominent criterion, which summarizes the performance of the organization in 2012. The results achieved by the organization have proven that the teams working in the different locations and levels are having full capacities to achieve the targets determined by the Council of Ministers.

To meet these targets, all the organization departments work together to develop the performance efficiency and increase the

revenues, in light of sustainable vision meets the safety, quality, health and environment standards, and concludes to having an active role in the community.

The results of this plan shall be classified into strategic results controlling the main orientation of the organization's operations, and operational results handling its operations and the role of its business Centres in the delivery of services. Both achieved the contemplated results.



Strategic Plan Results 2012

The strategic and operational plan results represent the guidance compass whereby Emirates Transport ensures the satisfaction of the leadership vision, and the performance of the main role assigned to it, as one of the elements to serve individuals and support the national economy.

The strategic and operational plan results in 2012 were characterized by the achievement of the most results targeted by the Council of Ministers.

The localization results topped the list of the strategic results, particularly in the leadership and supervisory category. In addition, there have good results in the indicators of the executive and specialized categories.

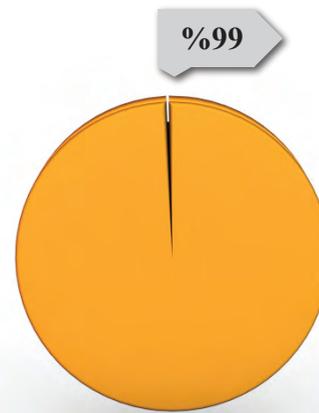
The results of staff rehabilitation and training held advanced rank which indicates the great attention paid by Emirates Transport in order to raise the level and experience of its employees, ensuring the continuation of further progress and raising the quality of customer services.



Strategic Plan Results 2012



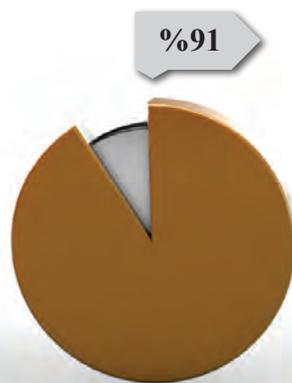
Rate of Growth in the business Centres unit



Rate of Revenues as per the approved budget



Rate of localization in the leadership category



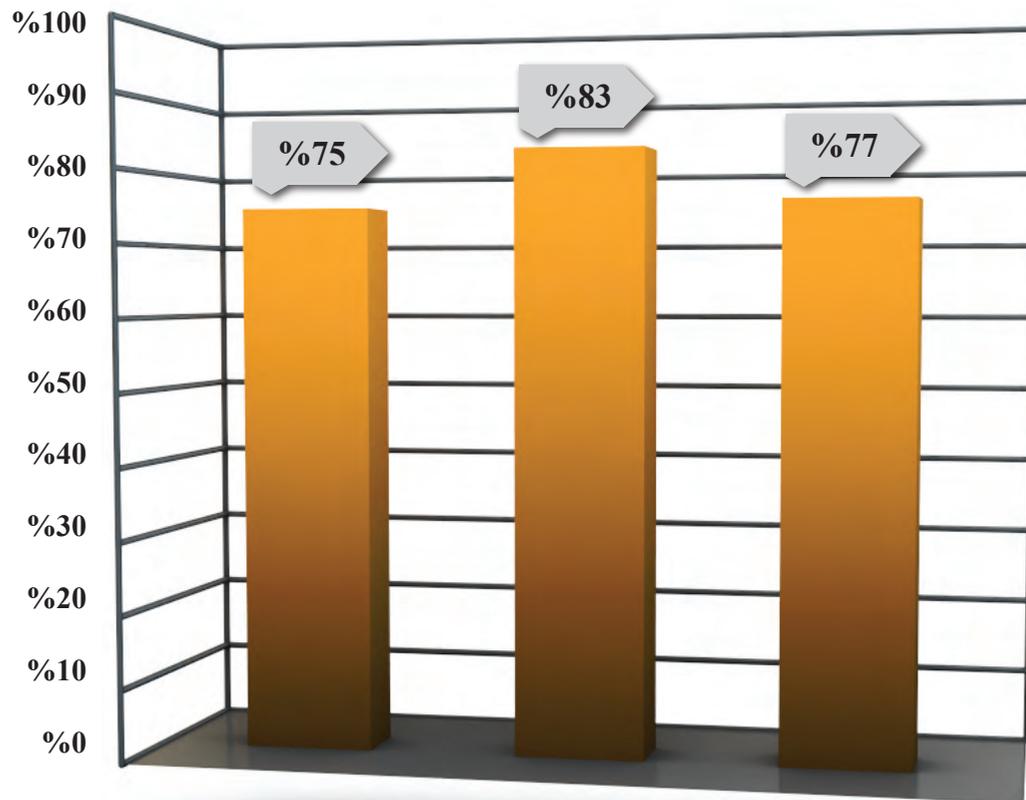
Rate of localization in the specialized and technical category



Rate of localization in the supervisory category



Rate of localization in the executive category



Rate of the transported students compared to enrolled students

Customers Satisfaction Rate

Job Satisfaction Rate

Operational Plan Results 2012



Operational plan Results

The operational plan results of Emirates Transport includes a large number of indicators that are divided into five main categories, most notably the operational plan results in the field of training and functional rehabilitation of the organization employees.

Targets Excess

Some operational indicators in this area exceeded the targeted determined by the organization, which shows the great attention paid by the organization's senior management to practicing training and functional rehabilitation. This can explain the high performance of all other investment and operational sectors.



Diversity of Trainees and Enhancement of Satisfaction

The diversity of the career categories that are offered the opportunities for training and rehabilitation, and to focusing on the categories that serve the public directly, especially the drivers and supervisors are also be noted in this area. This explains the high rate of the customer satisfaction, stemming from their access to services provided by employees who feel highly satisfied with their organization. This is also remarkably shown by the results of the operational plan.

One of the most important tools that are used by the organization to enhance the employee satisfaction is to open the way for them to express their views and listen to their suggestions, and not to slack in appreciating their efforts with various possible means. In this area, the organization, through 2012 results also exceeded the rate targeted by the Council of Ministers.

Community First:

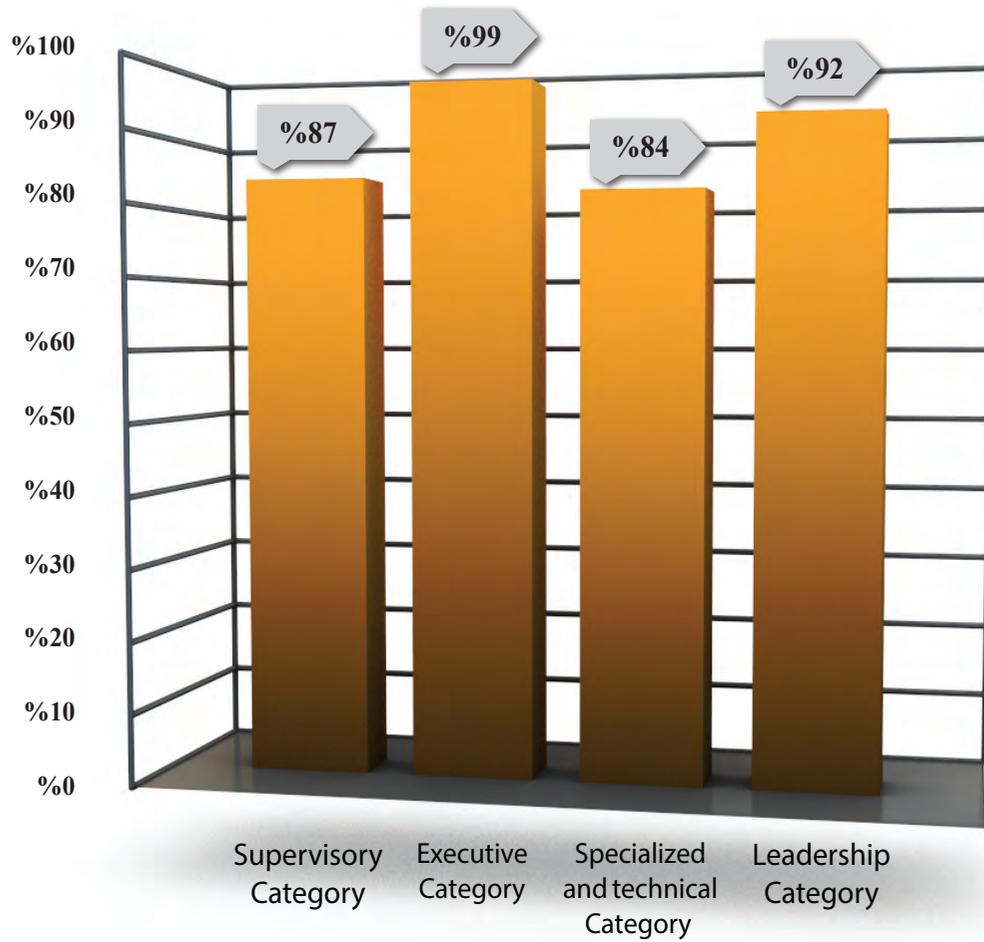
The community activities of Emirates Transport in 2012 had taken the lion's share from the rate of the operational plan results, rather the organization highlighted, during this year, the community events carried out by other parties at the national level, and such contributions left notably positive impression at the community level.

Quality and Safety

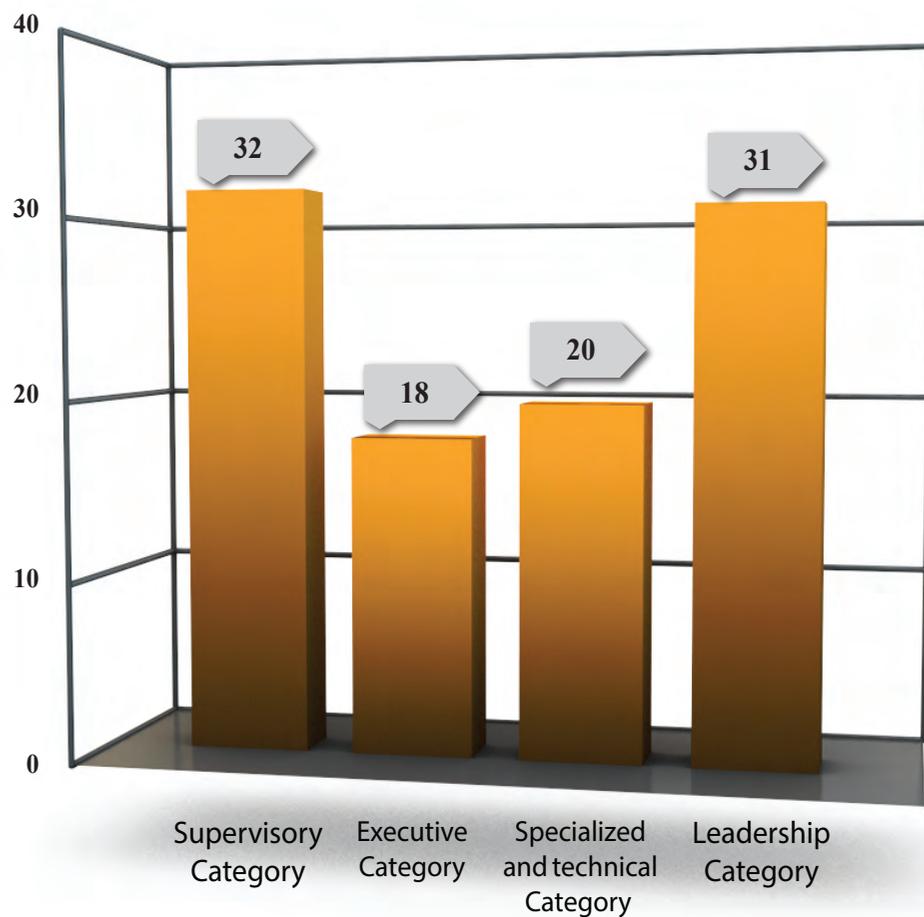
The results of the operational plan in terms of quality and safety for buses and the organization Transport had a prominent place. This trend comes in line with the organization adoption of international standards in terms of quality, environment, safety and health.

Operational Plan Results 2012

Rate of Trainees in the Various Career Categories



Rate of Training Hours in the Various Career Categories



Human Resources, Training



Emirates Transport believes in the importance of the human resources as a main and most effective element in the production process, let alone being the interface of the organization through which the public judges the quality of its services, which will, either positively or negatively, affect the organization reputation and position.

Therefore, the organization is keen on providing good competent employees capable of outstanding giving, ensuring its continuity and the performance of its main mission of securing transport services in the best and most professional way.

The organization gives special attention to the training and rehabilitation. It is considered by the organization as positive stimuli that contributes to improving the performance of the individual,

ensures the career development, and meet the career and personal aspirations of the working employees, leading to converting these capabilities into innovation and development of performance.

Training Areas

The training package provided by the organization to its career employees has varied in 2012. It included various aspects, such as the development of human resources and management skills, enabling the creativity and decision-making capabilities, and the enhancement of communication, media and social responsibility skills, as well as the improvement of working techniques, technical equipment and maintenance.



Beneficiaries of Training

The training included all career categories for the various departments and Centres, and high rates of participants and hours. This was reflected positively on the trainees abilities and their work quality and has had a clear impact and significant role in increasing the efficiency of quality of work teams in the organization. This has significantly contributed to improving the customer satisfaction results and indicators in 2012.

Efficiency Development in the School Transport Sector

The organization stepped up its training efforts in the school transport sector in 2012 which aimed at the development of the professional performance of the workforce of the human competencies, to achieve the goals of the career and personal development of each male and female employee.

During the year, 3,500 school travel drivers has experienced driving training hours up to 69,000 hours, in addition to the training by 2,460 male and female supervisors accounting 44,000 training hours.

The organization has been keen, through the school Transport Department, to increase the training sessions designed for the drivers

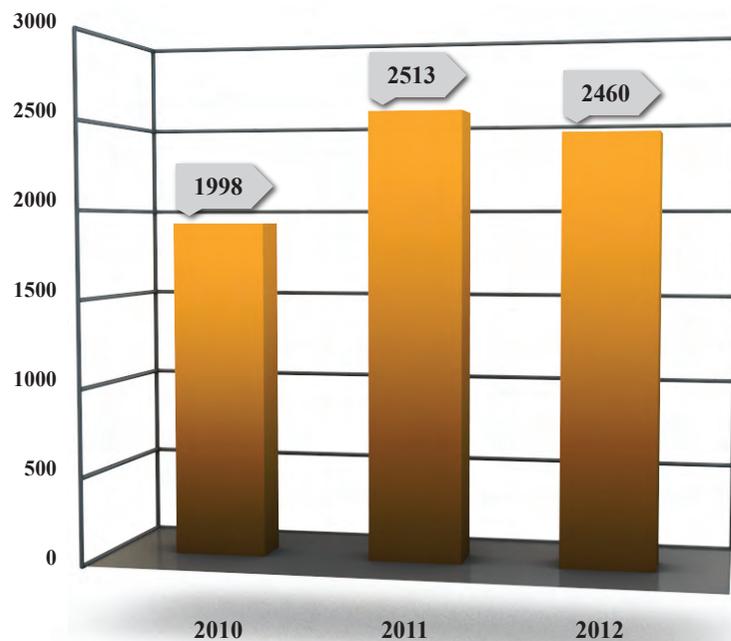
and transport and safety male and female supervisors, and enhance their ability on the safety aspects, dealing with students and parents, and how to evacuate the school bus in an emergency, first aid aspects and the like.

The Strategic Plan also included all the career categories as a whole. 19 employees participated in the training programs of the Centre for School Transport from the leadership category. They have been subjected to 686 hours of training, while 54 employees of the supervisory category subjected to 2,064 hours of training, in addition to 26 employees of the professional and technical employees who completed 660 hours of training, and 6,056 employees of the executive class completed successfully 113 834 hours of training.

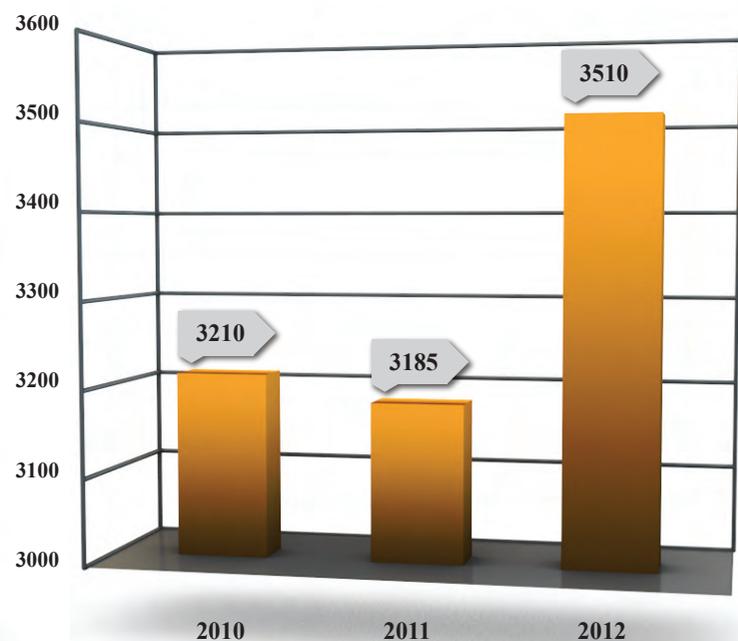
Number of the training hours of the drivers and transport and safety supervisors

	2012	2011	2010
Drivers			
Total number of training hours	53000 Hours	73000 hours	69000 hours
Transport and Safety Supervisors			
Total number of training hours	73000 Hours	36000hours	44000 hours

The number of trainees from the transport and safety supervisors



The number of trainees from drivers



Risk Management

Any organization may experience certain risks while performing their services. Emirates Transport believes that it is possible to convert such risks to investment and development opportunities in the event that such risks have been handled and managed in an appropriate manner.

Here comes the role of risk management. It serves as a necessary process enhancing the ability to plan for future works, and contributing to the control of the key processes and strategic decision-making. Therefore, it is keen to conduct an annual assessment of the risks, and analysis of the factors that may affect the achievement of the objectives of the organization, and then handle and manage them in a professional manner.

The Board of Directors, Audit Committee, Risk Management and senior management assume the duty to pursue this task.

Risk Management

The organization adopts the international practices in this area and its procedures comes in line with the international standard 31000:2009 on risk management in organizations and companies.

It aims of this commitment to protect the organization and its assets of all kinds of obstacles and deal with them professionally and to enhance the opportunities for business expansion so as to ensure achieving the organization's strategic objectives and increase its market value, so as to enhance the trust of the shareholders that risks are managed and controlled in a systematic and orderly manner.

Risk Management Follow-up

This process is one of the main duties of the Board of Directors, Audit Committee and Risk Department. Each of them supports the executive department in the implementation of good practices at all sectors and levels, after receiving periodic reports on the major risks and status of the organization, to ensure the development of appropriate solutions within acceptable levels.

Policies Guide

The Board of directors approved a guide for policies and procedures of the Risk Department and organizational structure of the concerned department. The Executive Committee of Risk Management in the organization was formed in 2010 headed by the Director General and the membership of the Executive Leadership.



Risk Management was created with the purpose to identify, assess and address these risks, and then to follow up all the units in the organization to implement the recommendations and treatment plans. This department submits periodic reports to the Board of Directors and the Audit Committee on the status of the main risks and the level of implementation of the developed plans.

Areas and Types of Risks

1. Legal and External Risks:

These risks are varied. They may be legal which may occur during the Organization attempt to de by the different local and federal laws in each emirate, or external which may be caused due to economic, environmental and political changes or legislative which may take place during the organization application of the international standards, or marketing due to strong competition.

2. Operational Risks:

Risks related to automated systems in terms of their integration, reliability and confidentiality, and information accuracy and timely, or related to human resources in terms of the need to maintain and train them, and maintain the safety and health of workers.

It is possible that such risks are related to the effectiveness and efficiency of the operational systems, or protection of the organization's main assets from loss, theft, or the challenges related to relations with customers, suppliers and increasing the level of satisfaction with the organization.

3. Financial Risks:

There are many factors that may put the financial position of the organization at risk. The financial position may experience difficulties in finding effective service pricing systems, which ensure the achievement of the target profit, or the availability of the necessary liquidity at any time to finance short-or long-term projects, or any other risks related to debts and lack of effectiveness of collections from customers.

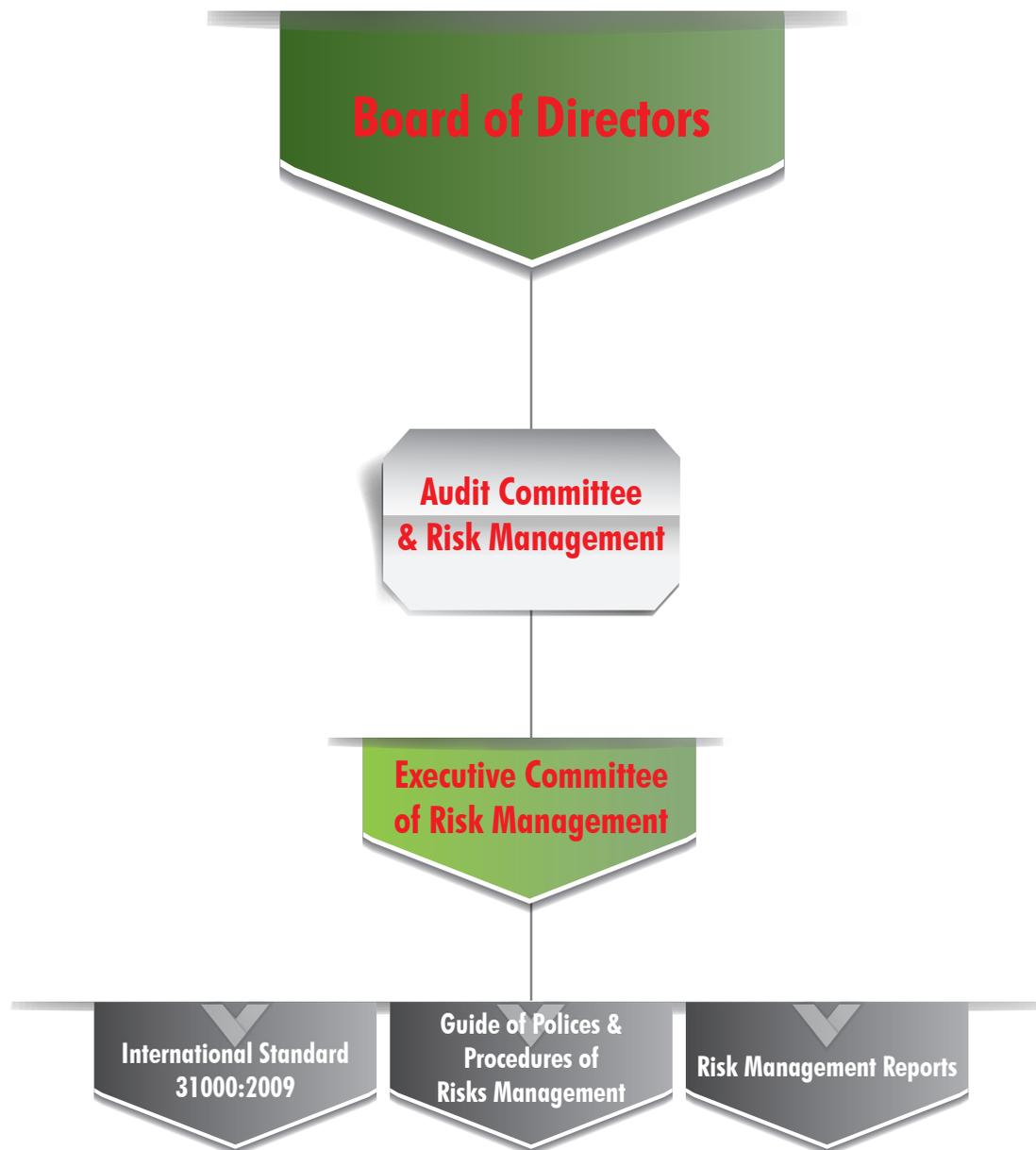
4. Strategic Risks:

Strategic risks are those related to the governance of the organization works such as its culture and effectiveness of relations between the Board of Directors and its committees, or the effectiveness

of the strategic and operational performance indicators, or the risks related to the reputation of the organization, such as its trademark, the quality and safety of its service, and the cases brought against the organization or any legal violations.

5. Information Risks:

Information Risks are those related to the accuracy, validity and comprehensiveness of the information, and its availability in time along with ensuring their confidentiality (Whether hard or soft copies), considered to be one of the most important assets in the organization. They are used in strategic decision-making and the development of future goals.



School Transport

School Transport service has always been a high priority of Emirates Transport, being the first service launched by the organization. Thus, the organization has always been keen to give this service due diligence care and special attention and maintained its quality successes in this regard, through the consolidation and development of channels of communication with its strategic partners in the education sector, such as the Ministry of Education and Abu Dhabi Education Council (ADEC), in addition to school departments and school districts.

The organization has also continued its efforts to raise the level of quality of service and enhance the safety procedures through its provision for the service. It has been keen to implement further programs, courses and workshops for the rehabilitation of drivers and supervisors in its various branches and stations in the state.

The Organization, in collaboration with its technical Centres, implemented periodic and preventive maintenance plans for school buses fleet, and enhanced the fleet with new buses and replacement of the old buses.

Public Schools Students Transport

During the year 2012, and through the school transport Centre and its nine subsidiaries spread, in the state, the organization transported 203 thousand students on a daily basis, through 3713 school buses, passed 120,000 rallying points, to and from 685 government schools. The buses walked during the past year 60 million kilometres through 5586 regular itineraries.

And adopted to provide this service on the grounds of school transport an influential element in the system of mass transit in the state, and the need for inclusiveness in the service to include daily transport for regular public schools and school trips and summer Centres and evening, as well as to take care of the safety of the students on board the school bus, and rehabilitation of drivers and supervisors, and educating students and parents.

Private Schools Students Transport

In an extension of the success achieved by the organization in the field of transport services for public schools, the organization began in 2012 to invest this success by providing the transport service for private schools students wishing to

take advantage of the organization. This has been part of its plan to expand the customer base, employing of the highest specifications of safety, security and regularity applied by the service.

In this context, the school transport Centre managed to conclude contracts with many private schools in Abu Dhabi, Dubai, Sharjah and Ras Al Khaimah, to transport students to and from schools. This new service is expected to expand and proliferate more among the private education organizations in the state.

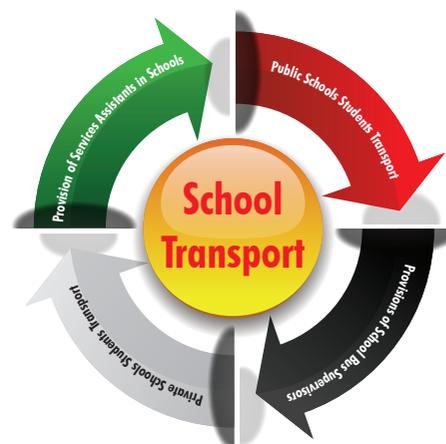
Provision of for School Buses

Emirates Transport continued to provide the service of transport and safety male and female supervisors in public schools buses in the state such as kindergartens schools and first stage schools, as well as those wishing to take advantage of this service from the private schools administrations. This has contributed to supporting the efforts made to maintain the security and safety of students, and beginning to reduce the problems of school transport in private schools, and non-compliance with laws and requirements associated with the school transport service.

During 2012, the number of workers in the service of the supervision on school buses reached about 2479 male and female supervisors, 1357 of whom are supervisors on the three educational offices of ADEC in Abu Dhabi, Al Ain and Western Area, and 1100 in the remaining areas and educational offices in UAE.

Reporting Service in Schools

The organization has provided the services of internal reporting for public schools (females) of ADEC. Those reporters are entrusted with some assisting office works in school administration.





Number of Awareness Sessions for Students



Number of School Bus Drivers



Number of School Buses



Number of public schools



Average number of Training Programs for Each Driver



Number of School bus male & Female Supervisors



Number of Rallying Points



Number of students enrolled in Schools



Number of field monitoring visits for schools



Number of seats available



Number of regular itineraries



Number of students transferred



Transported Students' Satisfaction Rate



School Administration Satisfaction Rate



Number of covered kilometres



Percentage of Enrolled Transported Students



Major Customers Satisfaction Rate



Students Parents Satisfaction Rate



School Transport Statistics 2012 - 2013

Business Centres Indicators



Emirates Transport manages 20 Business Centres forming its investment arm, to provide integrated and various services system to its customers from the organizations and individuals.

By the end of 2012, the total staff working in business Centres has been 12000 employees, drivers, technicians and supervisors, 7100 of whom are drivers, and 4500 of whom are technicians and Supervisors, and 400 employees in the operational management side.

By the end of 2012, the number of vehicles fleet of those Centres reached 11280 cars, buses and bicycles, including 4500 cars, 6000 buses and 780 motorcycles.

The organization was able to form a wide base of strategic partners and main clients who trusted the services of its business Centres . This base included 300 partners and clients.

The Sales and revenues of its business Centres altogether have exceeded 1.3 billion dirhams, which form a specific jump in the evolution of sales and revenues of Emirates Transport.

These Centres can be briefed as follows:

Department of Transport and Leasing

Government Transport Centre: it provides transport and leasing services to the federal Ministries and Authorities, through the provision of vehicles for the different uses of those authorities, with the provision of qualified drivers.

Abu Dhabi Centre for the Transport of Leasing: it is concerned with the provision of all transport and leasing services. It manages and operates the

collective transport services and long-term leasing for many organizations and major companies in Abu Dhabi, Al Ain, and Western Area.

Emirates Centre for Transport and Leasing: it aims to provide various services in the field of transporting the staff and workers, with high quality and efficiency, to the organizations and major companies in Dubai, Sharjah, Ajman and Umm Al Quwain.

Emirates Cars Centre: it is concerned with the



management and operation of taxis, and provision of the services of tourist transport and car leasing. Emirates Limousine unit which provides the services of transporting passengers with luxury vehicles for individuals and organizations, falls under this centre,

Ras Al Khaimah Centre for the Transfer, Leasing and Technical Services: It provides a package of diverse and specialized services in the transport, leasing and maintenance services sector with high efficiency in the Emirate of Ras Al Khaimah.

East Coast Centre of the Transport, Leasing and Technical services: It aims to provide a variety of services in the field of transport, leasing, and maintenance services in accordance with the best practices, in the East Coast (Fujairah, East Region in the Emirate of Sharjah).

Logistics Department

Petroleum Transport Centre: it operates on the management, operation and maintenance of liquid sulphur tankers, oil tankers, and the various services for the transport of oil and gas for the government and private companies.

Emirates Centre for Logistics: it provides shipping and customs services, transport services for the products, and the service of renting of goods transport trucks.

Centre for Car Parking and Renting bicycles: it provides the services of renting motorcycles and electric cars with and without the drivers

for a number of clients in the public and private sectors, in addition to the services of car parking in the hotel and tourist organizations and major events.

Department of Technical Services

Emirates Centre for Technical Services: it is specialized in the provision of technical services, repair and periodic maintenance in the city of Dubai, Sharjah, Ajman, Umm Al Quwain for the various clients in all sectors.

Abu Dhabi Centre for Technical Services: it assumes the provision of technical services, maintenance and repair of the vehicles, management of technical workshops and all other support services to the customers in the Emirate of Abu Dhabi.

Centre for Converting Vehicles to be operated by Natural Gas: a technical Centre specialized in converting vehicles to be operated by natural gas system and providing technical services for the converted vehicles maintenance and repair processes.

Centre for Auto Inspection and Axle Weights: it provides the technical audit services for vehicles and the axial weights measuring stations management services for heavy vehicles in Abu Dhabi, Al Ain and Western Region.

Used Cars Sale Centre: the Centre provides the services of the organization and management of auctions, both in Abu Dhabi and Sharjah, to sell the second hand vehicles of the organization or government and private authorities that have fleets of vehicles in order to achieve the maximum benefit for the seller and buyer.





School Transport Department

Public School Transport Centre: The Centre provides the transport services for all school students in public schools across the nine branches of the organization spread in the state

Private School Transport Unit: The Centre provides the transport services for private schools wishing to transport its students across Emirates Transport Buses.

School Services Centre: it provides the services of qualified supervisors to accompany the students being transported in school buses to and from their homes. It also provides internal reporters service for schools.

Advertising Services Centre: it provides the services of marketing and promotion for commercials on school and commercial buses and universities buses, in addition to providing free advertising community space, in all parts of the State.

Subsidiaries Companies

During 2012, Emirates Transport established a new group of affiliated companies, which the organization owns 50% or more of their respective total shares, and provides a number of services to clients.

Emirates Transport has contributed in establishing «Reyama Taxi,» in partnership with the Fujairah Organization for Transport, for the provision of

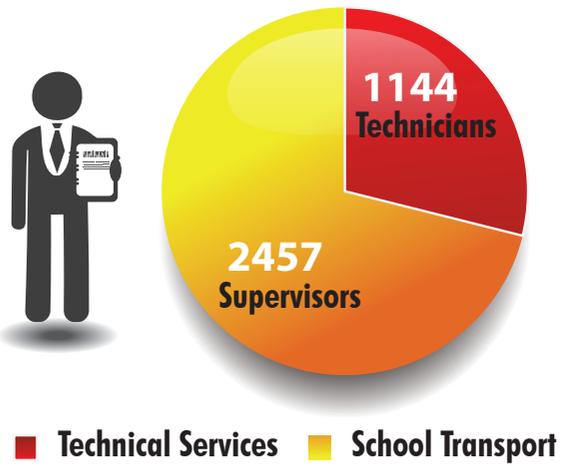
transport services by taxi vehicles in the areas of the Emirate.

The Organization has also established «Emirates Facilities Management» through a distinguished alliance between Emirates Transport and Etisalat to manage the facilities of Etisalat, which is specialized in the provision of facilities management services for ministries and federal sector organizations in the state.

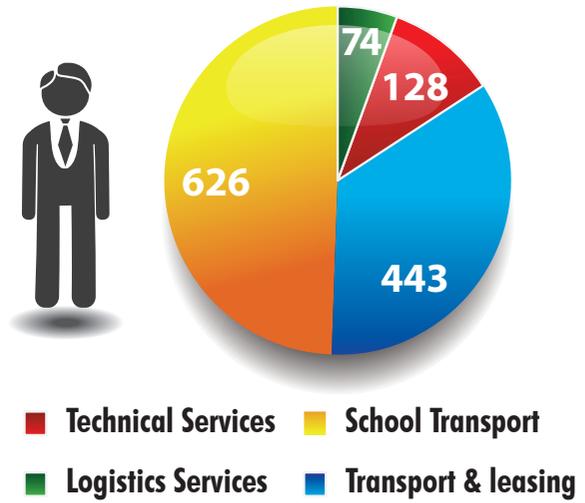
The Organization has also contributed to the launch of «Emirates Guard», which provides the general security guardianship services for companies and organizations in the public and private sectors at the state level, through specialized employees of security experience in the country after rehabilitating them to provide this activity.

Business Centres Sectors Results 2012

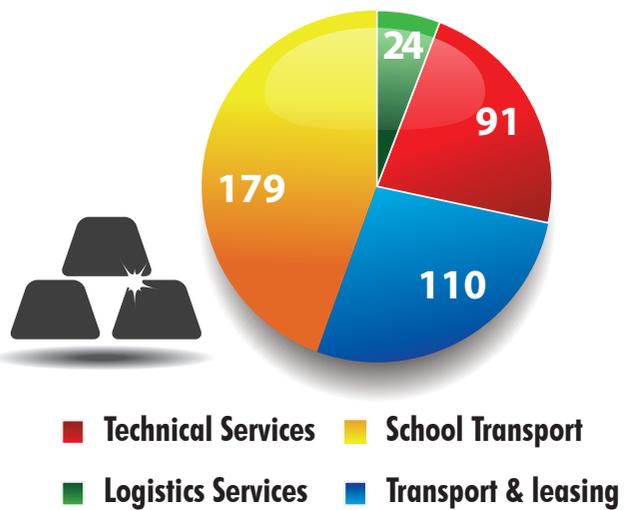
Supervisors and Technicians as per the sectors



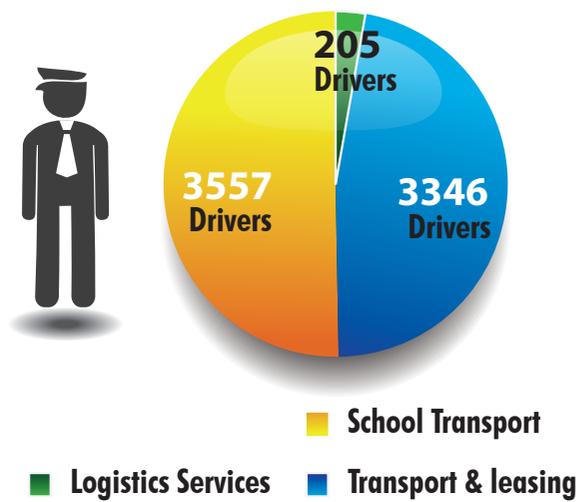
Sales and Revenues (million dirhams) as per the sectors



Operational Management Employees as per the sectors



Drivers as per the sectors



Projects & Achievements for 2012



Projects & Achievements for 2012

Corporate Excellence Results

Strategic Partnerships & Relations

Community Responsibility

Quality, Environment, Safety & Health

Governance & Disclosure

Financial Indicators for 2012

Investment Initiatives



Year of Development and Achievement

2012 has witnessed the achievement a remarkable group of corporate projects and achievements, which have been a result of the organizational units of departments, branches and business Centres of the organization and human cadres operating in the organization.

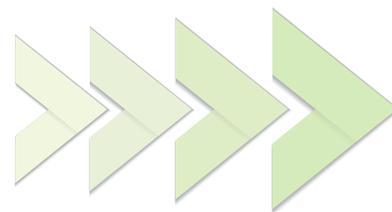
These achievements have been materialized in the organizational excellence aspects, through harvesting a new package of awards and certificates, in several forums and by different bodies. This demonstrates the leadership and excellence of Emirates Transport within the federal agencies operating in the country, through its outstanding performance and occupational services.

These successes were enhanced by activation of the scope of the partnerships and strategic relationships, which Emirate Transport has been keen to build with various government and private agencies. The organization worked on proving the international corporate principles in which it believes in the area of social responsibility. It expressed its commitment to its obligations towards the community which trusted the organization and its employees, being the

centre of the successes of the services provided to customers. It also committed to its obligations at the quality, environment and occupational safety and health levels.

These achievements and fruitful efforts have received careful attention and permanent supervision by the Board of Directors and its committees, and the senior management of the organization, according to the standards of good governance and transparency and disclosure principles generally accepted in the corporate work.

These confident steps will be maintained by the organization constantly and in determination, to maintain its prestigious position in the transport sector and technical services, and to meet the expectations and trust of its selected customers of partners, suppliers and members of the community and staff.



Corporate Excellence Results

Corporate Excellence Results ... Awards and Certificates



Emirates Transport seeks to reach the highest levels of quality, excellence and leadership in performance in line with the direction of the state to reach the highest echelons of international rankings on competitiveness in the provision of services. In this context, the organization claimed a number of local and international awards and certificates in recognition of a whole year efforts of the organization work teams, which contributed to the establishment of a well-established strategic structure in support of its strategic goals, federal government visions in terms of UAE vision 2021, and the strategic plan of the UAE Government 2011 - 2013.

The following are some of such awards and achievements:





Emirates Award for Excellence in Government Performance - Distinguished Federal Entity Category:

The organization managed in 2012, to maintain a top place of the distinguished federal entities in the category of 900 employees and above, by winning Emirates Award for Excellence in Government Performance at its second session under Sheikh Khalifa Government Excellence Program, which formed a incentive for the completion and relentless efforts to keep up with the ongoing march of excellence and success.



Dubai Award for Sustainable Transport - Transport for people with disabilities category:

In investment of its earlier successes in Dubai Award for Sustainable Transport that are organized by the Roads and Transport Authority, Dubai, the organization continued winning the award for the fifth consecutive year, by winning first place in the category of transport for persons with disabilities for school transport, project, being a distinguished service in the application of the elements of safety and security and proper leadership.



Minister of Interior's Excellence Award - the ideal partner category – Emirate of Ajman:

Emirates Transport Branch in the Emirate of Ajman received the Award of Excellence of HH Minister of Interior's 2012 in the Category of the ideal partner, in recognition of its distinguished partnership and its effective relationship with the General Command of Ajman Police, and the branch efforts to support the efforts of the Ministry of Interior in promoting the concepts of traffic safety, and keep the community safe.



Dubai Chamber CSR Label:

Emirates Transport achieved during 2012 a unique achievement as it has become the first federal and local government organization in the country that receives Dubai Chamber CSR label. This has opened the door to the rest of the organizations from the public sector to compete in this area. Wining this label has also enhanced the reputation of the government sector. This winning was based on a plan of action that have contributed to improving the practices of the community responsibility, and to enhance the role of the organizations board of directors and the executive management to support this important community commitment.



Sharjah Award for Green Middle East Environment Excellence - Category for Maintenance of the Natural Resources:

The organization won Sharjah Award for Environment Excellence in 2012 that is organized by Sharjah Environment Company › Bee'ah in recognition of its efforts in the adoption of environmental initiatives contribute to the preservation of the natural resources, and its full commitment to apply the principles of health, safety, security and environment.



Strategic Partnerships and Relationships



Strategic Partnerships and Relationships

Emirates Transport continued during 2012 its efforts to enhance its effective relations with its strategic partners and to strengthen the cooperation with its key customers, in order to develop the services provided to them, meet their needs to check satisfaction levels and exceed their expectations.

The organization also succeeded in forming new partnerships and specific relations, which contributed to the establishment of its presence and its existence among the organizations and entities in both the public and private sectors. In this regard, the organization's efforts were to communicate with them, receive their feedback, know their visions and discuss the prospects for mutual cooperation through different channels and common bonds.

2012 witnessed a significant activity in terms of visits and participations, culminated in the signing of several MOUs and strategic partnerships. The following is a summary of the most important achievements in this area:



Visits and Participations

The Director-General, organization's leaders and strategic relations team held a number of MOUs that paved the way for the launch of projects and joint initiatives related to the service provided. A number of marketing strategic visits were organized. There have been participations in events and forums with the organization's various partners and customers, from the ministries and federal and local government organizations, and the private sector organizations, which were held primarily in the Emirates of Abu Dhabi and Dubai, and extended to include some core customers in Sharjah, Ajman and Fujairah.

Partnership Agreements and Memorandums of Understandings

The organization concluded 6 MOUs during 2012. These MOUs paved the way for launching joint projects and initiatives. They were concluded with the (Watni) Program, Ministry of the Interior, and the UAE Red Crescent Authority, and Fujairah Statistics Centre, Ministry of Environment and Water, and Serkal Group of Companies.



Corporate Social Responsibility CSR



CSR is considered the real expression of the public sector ends in terms of its public-oriented services role. It aims to improve the quality of the community life and achieve a decent life for all individuals, and represents a guarantee for sustainability in the management of environment and natural resources of the state.

Therefore, Emirates Transport provided significant support to the projects of corporate social responsibility, and dealt with them with a comprehensive vision classified into essential points, namely community service, activities and initiatives in the area of social responsibility, comparisons of reference and international conferences.



First: Community Service:

A) The community-based services provided by the organization to the community:

The community-based services contributed by extending care and support to a number of human and student community agencies and its participation focused on three projects, which are:

1. The (national Bus) project aimed to provide free Transport:

The organization has provided the community transport services to many student Centres , public benefit associations, organizations, partners, and government and semi-government entities. For this purpose, 100 buses have been allocated in all the organization branches throughout the year and more than (20) different agencies benefited from this project and more than 1140 transport processes were achieved.

2. (Community Advertisements) Project aimed to provide free advertising space on its buses for community entities.

For this purpose, 1000 buses have been allocated where (7) various agencies benefited from it and 2335 advertisements have been executed during 2012.

3. (Material and in-kind Sponsorships) Program to serve the community:

The organization has provided a range of financial and in-kind support for more than (20) entity. These sponsorships included the material sponsorship for conferences, exhibitions and events, and the provision of in-kind gifts for students, athletes and people with special needs. The organization has further sponsored a number of sports, cultural and heritage activities and organizations and adopted educational programs for a number of schools at the state level, and supported the projects of graduation, research and studies, as well as the media care programs and other important contributions.



B) Activities and Initiatives in the field of Social Responsibility

The organization has set up more than (15) initiatives and events in 2012 through its departments and branches, or in cooperation with its strategic partners and various community agencies.



Also, it has participated in the cultural convoys initiative in cooperation with the Ministry of Culture, Youth and Community Development, and supported the mobile library initiative in cooperation with Zayed Al Elkheir Foundation. It has also implemented golden base plan project in public schools. The organization also honoured the winners of Emirates Transport Award for Safety and Traffic Education. In addition, it contributed to (let us protect our children from accidents) campaign in collaboration with the Ministry of the Interior, Khalifah Program for enabling students, Gulf Traffic Week Events 2012, and the organization of various events and activities under the country's forty-first National Day celebrations.

Community Ads on 1000 buses

2335 Community Ads

**community Sponsorships
for 20 Different Entities**

Corporate Social Responsibility CSR



Pinch Mark:

, 11 Domestic and International Conferences and Exhibitions

The organization aimed in 2012 to develop its practices in the social responsibility by participating in 11 conference and exhibition, both locally and internationally, with many of the competent authorities in the government areas and activities. The organization has been present at the World Summit on the energy of the future, and the Exhibition and Conference of the International Union of Public Transport in Abu Dhabi, and visited Trinetra company, Nissan factory in India. It also participated in the conference of the International Union of Public Transport in Germany, the third exhibition of commercial vehicles in the Middle East, in Dubai, the Conference of the International Union of Public Transport in Turkey, First UAE IDEAS Conference & Award, International Exhibition & Conference for School Transport Industry in Saudi Arabia, and the International Conference for Pupil Transport in USA. NAPT



Staff Care

Internally, Emirates Transport was keen during 2012 to enhance the distinctive social atmosphere that prevails in the work environment in the organization and the affection and cohesion among the staff. For this purpose, the organization has launched a group of staff-oriented internal community initiatives, the most important of which are Emirates Transport League, and the establishment of an open day in which more than 80 employees have participated. It awarded many bonuses and promotions, and organized honour programs such as the Motivational program (shokran), (Afkar) program for proposals. 1300 proposals were received during 2012, in addition to sending 60 employees to Umrah.

The organization has also continued in the implementation and development of the special discounts projects service provided to its employees, including:

My Vacation Project, which offers discounts for staying in 45 different hotels in the country.

My Journey Project, through cooperation with 3 specialized companies in the field of travel and tourism, to provide a package of their unique offerings and services to Emirates Transport staff.

Specific Programs to Motivate and Honour the Staff

The organization seeks permanently to motivate its employees towards work and production, give them the opportunities to show their creative energies, and honor them for their outstanding achievements, by offering programs and initiatives that encourage them to excellence, efficiency in performance and create a positive spirit among them.

Emirates Transport has developed during 2012 a standardized organizational methodology in order to adopt and promote the culture of excellence, and document and develop a framework for the career honouring and motivations processes in such a manner that contributes to the appreciation of the human resources efforts and achievements according to established and clear criteria.

The motivation and honouring programs applicable in this methodology are characterized with their covering of all employees of the organization in their various positions and career categories. These programs have a clear vision about the achievements and successes that deserve recognition, taking care that the

honour shall be immediately following a success or achievement.

In this context, the organization introduced a group of motivation and recognition programs for the staff and identified different moral, material and in-kind honouring aspects, namely:

- (My Career) Program to honour the long service staff.
- (Markets) Program which is an exhibition of the staff products and creations.
- (Thanks) Motivational Program, which honours the achievers immediately.
- (Ambition) Program to honour the employees with continuing education and educational attainment.
- (Al Haj) Program to the Holy Land.
- (Umrah Annual Trip) Program for employees



Quality, Environment, Health and Safety



A firm commitment to the application of quality standards and the principles of environment and occupational safety and health.

Emirates Transport takes a serious and permanent commitment towards continuous and sustainable improvements in the performance levels of quality, environment, and occupational safety and health. In this regard, 2012 has witnessed the implementation of specific package of measures and activities.

Successful Evacuation Experiences

At the level of safety and security at the sites, 9 evacuation fake trials were performed in collaboration with the Department of Civil Defence. This is considered one of the successful practices carried out each year in order to train the staff on proper and systematic ways in response to emergencies and fires.

Quality Audit

To ensure that the quality and environment level lies up to the international standards, an annual external audit is being made by an ISO certified company. This audit evaluates the level of the implementation and effectiveness of the integrated management system in the organization in order to ensure the continuity of Integrated Management System certificates.

Field Audits

Annual internal audits for 2012 have been

performed through 9 audit teams, distributed on nearly 37 different work sites in the organization, who have issued 18 reports. This process is one of the basic requirements in the implementation of standard criteria for the integrated management system. It also represents a tool to activate and measure the performance in the system at the organization and help to develop it.

The organization teams carried out field visits to all departments, Centres and branches to ensure that the corrective actions take into consideration the comments recorded by the internal audit teams on the Integrated Management System. (quality, safety and environment systems).

Decisions and Regulations

In light of internal and external visits, the organization decided to specify the coordinators of the integrated management system in each department, Centre and branch, form team works to develop the environment and safety system in the organization, and update all information in accordance with the new changes and projects. These missions were assigned to three work teams. The first team was entrusted with the assignment to study how to develop the system of accidents and work-related injuries, the second was entrusted with the assignment to meet all the requirements of the Department of Transport in Abu Dhabi to obtain their approval on the safety and environment system applicable in the organization, while the third team interested in updating the manual of the safety and environment system procedures.

Meetings and Discussions

The organization held 20 periodic meetings to develop a safety and environment system, to review and discuss the performance and effectiveness of the integrated management system. The organization has also organized a collective and bilateral meetings with the team members who participated in Dubai Chamber

CSR Label.

Health and Safety Community

The organization has adopted the Environment, Safety, quality & Care controls as general culture applied in the organization. In 2012, a number of activities were devoted to raise the level of awareness and knowledge of these controls. 19 lectures on awareness have been held about the environment, occupational safety and health. In addition, various workshops were held on the internal audit of the management system. Various events were implemented within the month of the occupational safety and health campaign during April 2012.

Rehabilitation of Human Sources in Audit Area

The organization succeeded in training 27 internal auditors, and has trained 21 staff in the field of internal audit for the integrated management system. Also, 7 employees were delegated to a training course for internal auditors, and 13 head of quality management system auditors were



rehabilitated (ISO 9001:2008).

Advisory Studies

The department prepared 5 primary consulting studies focused on the of the Sustainability Report Draft Initiative GRI, rate of accidents and work-related injuries in 2012, a systematic review of dealing with the customers comments and suggestions, attending the preliminary evaluation of the customers complaints and satisfaction certificates systems (ISO10001 & ISO10002), studying the requirements of ISO 27001 certification on information security systems and ISO 10015 certification on training quality management system.

Publications and Releases

The organization issued, through its concerned department, guiding prints and awareness posters to the staff and employees working on the aspects of occupational safety and health.



Visits

They discussed ways of possible cooperation between the various dealers agencies of the government authorities, local departments and national and private companies. These visits aimed to exchange the ideas, discuss the plans and develop the services, the matter happened during the visit to the Public Transport Agency at the Roads and Transport Authority in the field of quality, safety, environment systems, and the visit to Dubai Chamber of Commerce and Industry to discuss the business ethics and social responsibility.

Governance and Disclosure



Pursuant to the Council of Ministers Resolution No. 29 of 2011 on the system of the boards of directors governance in the authorities, organizations, and profit and non-profit companies owned by the Federal Government, the board of directors decided to modify the procedures associated with the conduct of business and the follow-up of the Council and its committees, in accordance with the provisions of this resolution.

A directory on the implementation of the governance rules in Emirates General Transport and Services (Emirates Transport) under the decision of the Director General No. 09 of 2012, and then it was updated by a decision by the board of directors at its meeting No. 032012/ on the approval of the integration of (Governance and Social Responsibility Committee, Nomination and Remuneration Committee and strategic development Committee) in one committee called (Executive Committee) and to determine its

functions and modify the functions of the Audit and Risk Committee based on the decision of the Board of Directors. Accordingly, the Director-General's decision No. 54 of 2012 was issued on the reissuance of the directory on the implementation of the governance rules in the organization.

The Board of Directors of Emirates Transport and its committees pays much care to the commitment to governance controls as a means to develop the practice of transparency, integrity, internal control and professional behaviour to achieve the strategic objectives of Emirates Transport that are consistent with the strategic plans of the Federal Government and the UAE Vision 2021, and enhance the confidence of the dealers with the system of services provided by the organization, and its practices towards society, environment and employees.

Name	Position	Occupation
HE Humaid Mohammed Obaid Al Qattami	Chairman	Minister of Education
HE Saeed Mohammed Al Shared	Vice Chairman	Chairman of the Advisory Office - Emirates Transport
HE Omar Saeed Bin Ghalib	Board Member	Deputy Director General - General Authority of Civil Aviation
HE Abdullah Salem Al Kathiri	Board Member	Executive Director of the road Transport Sector - National Transport Authority
HE Marwan Ahmed Al Sawaleh	Board Member	Assistant Undersecretary for Support Services - Ministry of Education
He Humaid Bin Butti Al Muhairi	Board Member	Assistant Undersecretary for Corporate Affairs - Ministry of Economy
HE Mohammed Ahmed Al Mulla	Board Member	Director of Standards Department - Emirates Authority for Standardization and Metrology
HE Brigadier Ghaith Hassan Al Zaabi	Board Member	Director of Traffic Coordination Department - Ministry of Interior
HE Madiyah Salem Al Rum	Board Member	Director of Policy and Accounting Standards - Ministry of Finance
HE Rashid Hamad Al Shamsi	Board Member	A representative of the private sector

Committees:

There are two committees that emanates from the Board of Directors, one has been stated in the Honourable Council of Ministers Resolution No. 29 of 2011, namely, Audit and Risks Committee, and the other was created by the Board of Directors decision, which is the Executive Committee. A working system has been set for each committed to ensure its compliance with the Council of Ministers resolution mentioned above, according to the following details:

Committees Mechanism of action:

Each committee shall consist of 5 board members chaired by vice-chairman, and shall take its decisions by a majority vote of those present. In the event of equal voting, the Chairman shall have the casting vote.

The Committee may take decisions on the issues presented to it within the limits of its jurisdiction. It shall hold periodic meetings, at least 4 times a year, and have a reporter to record the minutes of the Committee meetings, and draft the notices and follow-up their recommendations and decisions..

Executive Committee:

The board shall form from among its members a permanent committee under the name of the Executive Committee. This committee shall study all the topics to be presented to the Board of

Directors in advance, and any other functions as may be assigned to it by the Board of Directors, or provided for in the regulations approved by the Executive Council.

It shall also be concerned with the preparation of the Council work and the nominations, rewards, strategic development and social responsibility.

Tasks and Competencies:

The Executive Committee shall assume several tasks and responsibilities, including the follow-up of the development of the implementation of the organization's approved objectives and the extent of the achievement of those objectives, in order to achieve the organization's strategy aimed to expand, evolve and diversify the sources of income, earn the trust of strategic customers and partners and thus achieve the best returns for the general budget of the state.

The committee shall also review and develop the current strategic plan and study its update proposals according to the latest developments. It shall also study and propose the development of the strategic organizational structure, review and evaluate the recommendations of the advisory studies related to the strategic development, study and evaluate the opportunities for expansion and diversification of activities and disciplines, and areas of entering into strategic partnerships, and study the reports of quality, environment and safety.



The Executive Committee shall also develop and follow the organization programs in terms of exercising its social responsibility towards the state, environment and community, including its customers and employees in order to enhance the reputation of the organization.

The Commission is regular and continuous monitoring of enterprise plans in the area of human resources major administrative succession of senior leadership.

Audit and Risk Committee:

Audit and Risks Committee shall assume a group of tasks, including monitoring the safety of the organization's financial statements and their conformity with the International Financial Reporting Standards (IFRS) and review any significant issues or opinions related to the financial reporting.

The committee shall also make sure that the external auditor reports annually to the council within three months from the date of the fiscal year end. Such report shall include the details and comments resulting from the audit and its recommendations.

The committee shall also be tasked with conducting an annual evaluation of the adequacy of risk management policies and the internal controls related to the approved operational financial objectives, in addition to the cooperation with the Court of Auditors and responding to the comments contained in his report, which is presented to the Council.

It shall also be tasked with monitoring the independence of the external auditor on an ongoing basis, and shall have a meeting with him once a year at least, in addition to verifying any possible financial irregularities or any other irregularities and ensuring the development of appropriate standards as a result of those verifications.

Audit and Risks Committee shall also oversee the audit activities in the organization in order to verify its effectiveness in carrying out the roles and tasks assigned it in the study of the internal control system, and have periodically access to the reports of the court of auditors, and the internal and external audit. The committee shall periodically review the decisions and instructions issued by the supervisory authorities regarding the governance rules and practices, and make recommendations to the board of directors

on the changes that it deems necessary for the development and application of new standards and practices.

Meetings of the Board of Directors and its Committees during 2012:

According to the statute of the organization, the Board of Directors shall meet on a regular basis. Pursuant to the government controls, the Board held 6 meetings in 2012. The board's committees also held 12 meetings.

The organization has committed to the provisions of the Council of Ministers Resolution No. 29 of 2011. All required reports were provided as specified in the resolution in accordance with the following:

1. A Report on the financial statements and final account for 2011.
2. The annual budget for 2012.
3. The annual budget for 2013.
4. The annual report of the performance of the board and organization in accordance with Article 20 of the governance decision.

Director-General Reports

The Executive Department, represented by the Director-General, submitted many reports to the Board of Directors. These reports showed the most important achievements of the Executive Department, including those related to governance during the financial year. The Executive Department has committed to implement the decisions of the Board of Directors as stated in the reports mentioned above.

Disclosure and Transparency

1- During the past fiscal year, there have been no notes from any of the regulatory and audit entities against the method of disclosing the information and data by the organization. All the organization transactions were characterized by transparency and absolute cooperation.

2- The organization provided the necessary information to those authorized to have access to any of the covered information in a clear, accurate and not misleading form, in specified times, and as requested by those entities, particularly with regard to the following:

- Financial statements and reports.
- The privileges of the senior executive management members.
- The Commitment by all the employees working in the organization to sign an undertaking of confidentiality and non-disclosure.

Financial Indicators for 2012



Constant Development Steps..

Emirates Transport achieved over the past years the highest levels of performance in terms of revenues, profits and marketing services, making its financial indicators record good growth rates. 2012 witnessed the achievement of the highest revenues, which amounted to 1.345 billion dirhams. This was reflected extrusive on the growth in net profits, liquidity, total assets, capital, reserves, and the return on capital.

These financial results achieved indicate clearly to the success of Emirates Transport in promoting the march of its successes since its inception in 1981, based on the determination of its management, human resources and the quality of its provided services, as well as its insistence on dealing with confidence and wisdom with the competition witnessed by the local labour market in the sector of transport, leasing and technical services, in conjunction with the promotion of its services to meet the needs of customers and exceed their

expectations.

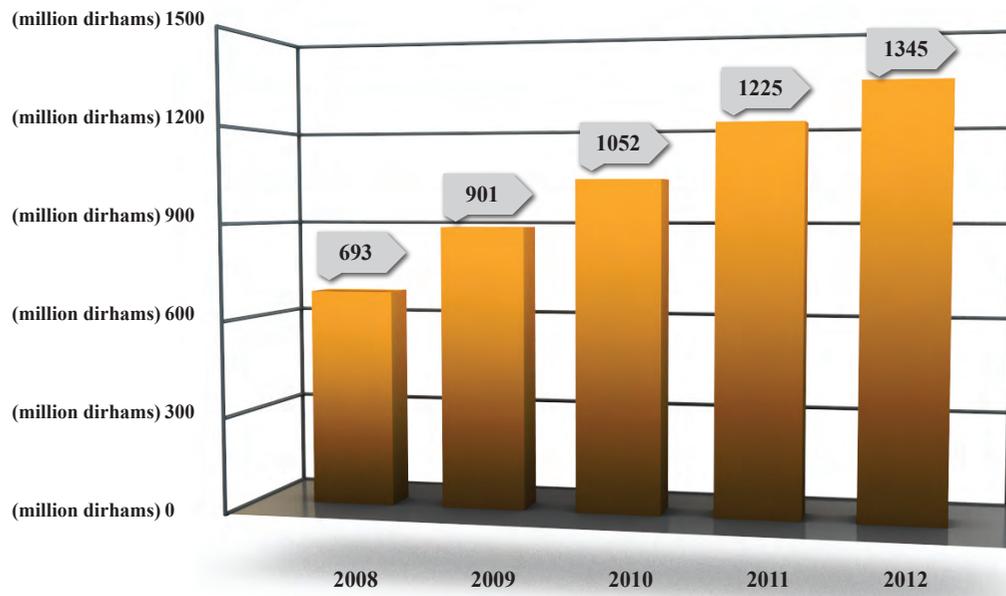
This success reflects the thoughtful strategic planning applied by the organization, and its optimal investment of the potentials, capabilities and capacities in a manner that foresees the variables. It also reflects that the organization made professional efforts adopting management techniques for the implementation of best practices according to the standard criteria to access to outstanding operational performance.

Thus, we find that the return on capital achieved by the organization rose to 36%, which is a promising sign when compared to many of the other traditional investment sectors. This confirms the fruitful methodology applied by the organization management, the high efficiency in the operation of human resources and assets, and the diversification of the package of services provided by the organization and the expansion in the provision of services to new sectors opened a broader markets to the organization.

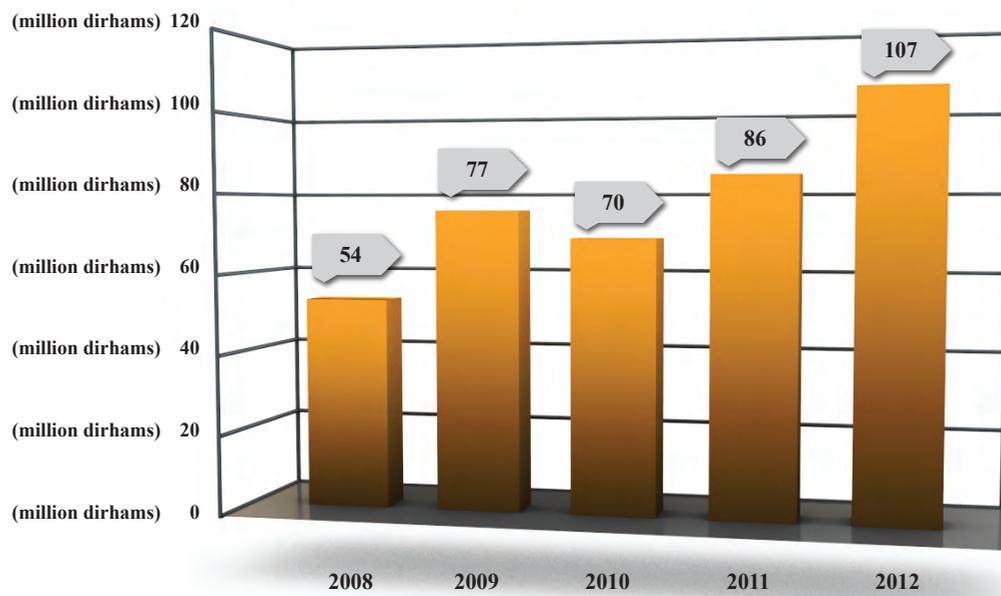
Financial Indicators for the period from 2008 to 2012 (million dirhams)					
Description	2008	2009	2010	2011	2012
Revenues	693	901	1.052	1225	1345
Net profits	54	77	70	86	107
Liquidity	224	366	428	354	443
Total Assets	1062	1288	1457	1517	1662
Capital and Reserves	479	497	511	528	549
Return on Capital	27%	26%	23%	29%	36%

Financial Indicators for the period from 2008 to 2012 (million dirhams)

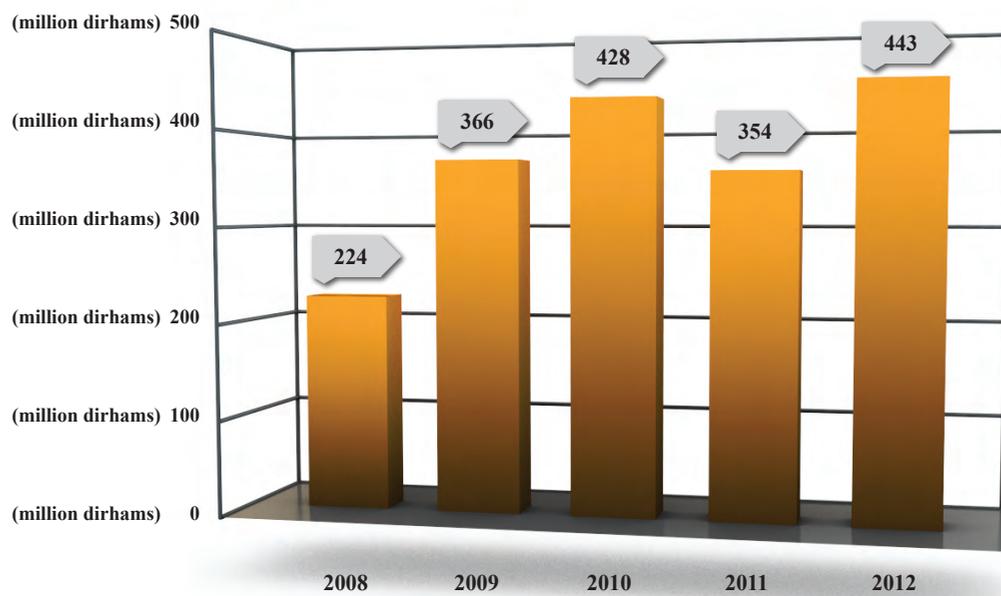
Revenues



Net profits

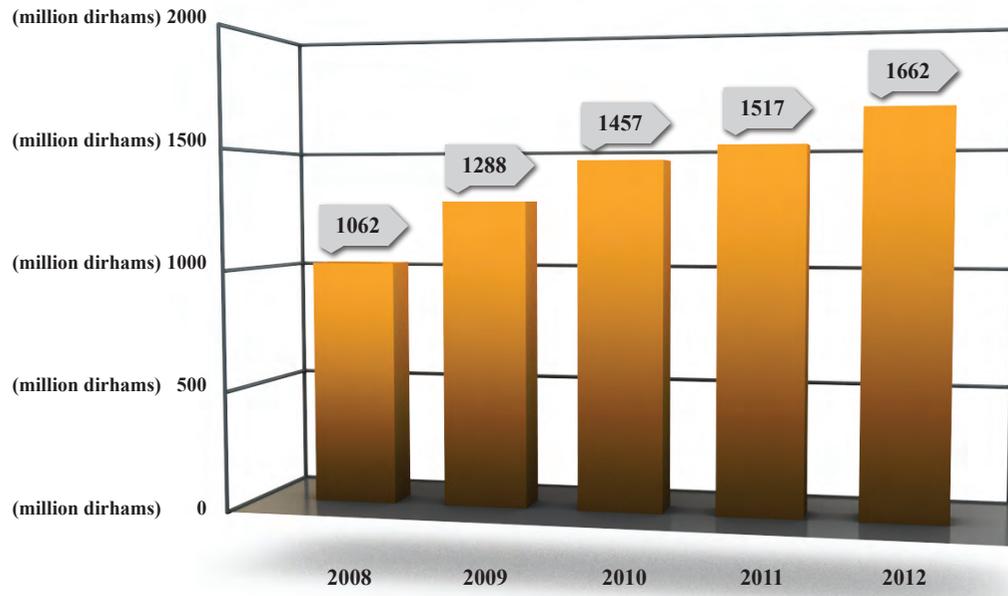


Liquidity

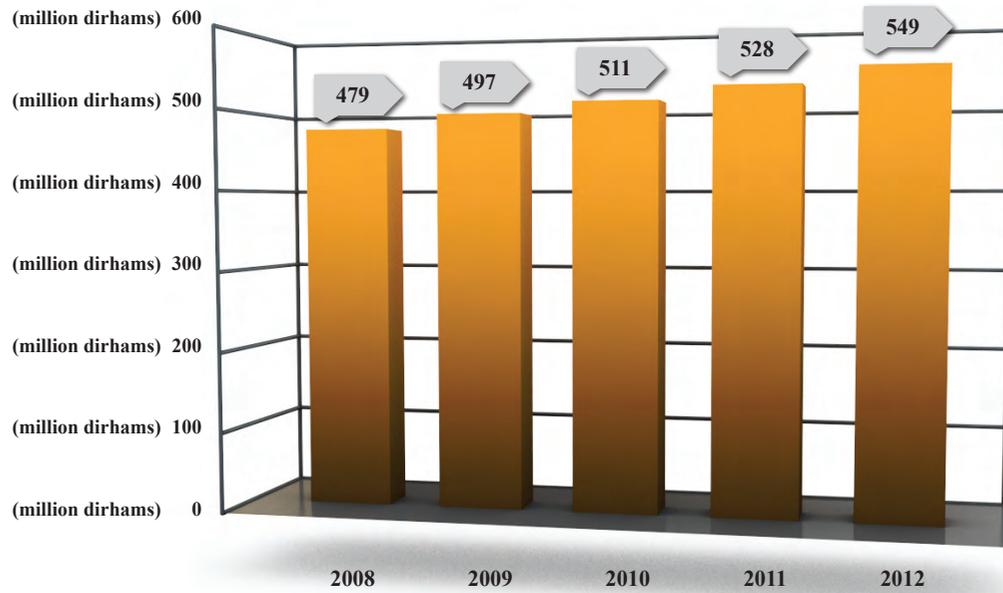


Financial Indicators for the period from 2008 to 2012 (million dirhams)

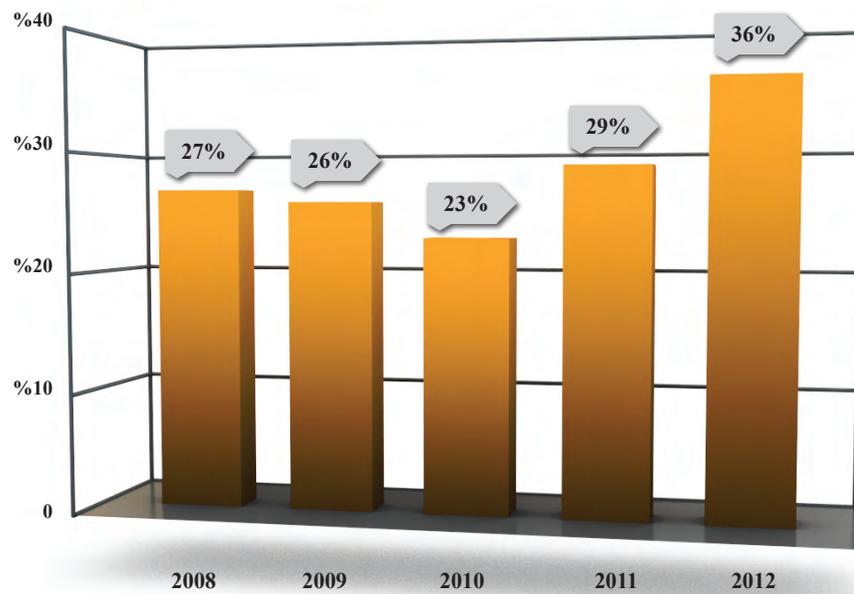
Total Assets



Capital and Reserves



Return on Capital



Investment Initiatives 2013

The Investment Initiatives and new Development Projects for business Centres in 2013

Emirates Transport seeks constantly to develop the system of its services in line with the latest developments in the labour market, and the customers' growing needs, through the introduction of new investment initiatives, and the launch of development projects, after conducting a thoughtful and accurate feasibility study. The business Centres of the organization adopts these initiatives and projects within its annual operational plans.

The following are the most important new projects and initiatives to be implemented by business Centres during 2013:

	Business Centre	The most important new projects and initiatives during 2013.
1	School Transport Centre	Launch of the electronic tracking system for school buses.
		Launch of the electronic smart card for students.
		Launch of the surveillance cameras for school buses.
		Launch of the electronic system for bus itineraries.
2	Technical Service Centres	Launch of the heavy equipment and hydraulics maintenance unit.
		Launch of retreading tires unit.
		Launch of washing trucks unit.
		Launch of automatic transmission reconstruction unit.
		Launch of the buses air-conditioners maintenance Unit.
		Application of e-marketing systems.
		Launch of fast maintenance Centres unit.
		Creation of a water recycling plant.
3	Transport, leasing and logistics Centres	Launch of refrigerated transport unit.
4	Emirates Cars Centre	Launch of luxury bus rental unit.
5	Emirates Driving Centre	Establishment of vehicles driving Institute
	Emirates Driving Centre	

