



**Webcor Group
UN Global Compact
communication on
Progress 2016**

Communication on Progress (COP)

Report No.1

In this first communication on progress we define our effort to integrate the 10 principles of Global compact into our day to day operations. We are proud to be part of the United Nations Global Compact, and we look forward to continuing our commitment and support to its principles.

**Letter of continued
support from the
CEO**



Webcor Group UN Global Compact communication on Progress 2016

To our stakeholders,

Established in 1978, Webcor is a company that has grown to become a leader in soft commodities and fast-moving consumer goods. We distribute, manufacture and trade with the support and efforts of our talented and skilled employees.

As we continue to grow, the one thing that must never change is our commitment to create positive impact wherever we are. In 2013 We established our Corporate social responsibility department with a commitment to improve the lives of our employees and create positive impact on our communities.

In 2015 we applied for UN Global Compact membership to express our support to its initiatives and principles on Human Rights, Labor, Environment and Anti-Corruption.

This is our first communication on progress which describes the actions taken to improve the integration of the Global compact and its principles into our business strategy, culture and daily operations.

Sincerely yours,

Group CEO
Wissam Nesr

Webcor, at a Glance:

Our global presence in Europe, the Middle East, Latin America and Southeast Asia combined with core operations in Africa has given us unparalleled experience in those markets. This presence has allowed us to benchmark our brands on an international level while helping to develop growth opportunities in each market and further strengthening our relationship with the African markets.

Mission:

At Webcor Group, our mission is based on five essential pillars. They are as follows: To offer consumers healthier and high-quality products at affordable prices, while keeping up-to-date with global and local consumption trends. To meet and exceed the demands of our customers for innovative, flexible, and cost-effective solutions. To achieve sustainable growth through expanding and solidifying our own brands in the markets in which we operate. To contribute to the communities in which are present by participating in the growth of small retailers, creating jobs for the local workforce, and conducting targeted corporate social investments. To live by a strong set of values that underpin the way in which we conduct our daily business and engage with our employees and external stakeholders

Vision:

To be pioneers in providing brands of choice to every African home and to fulfill a growing demand for healthier products at affordable prices.

Values:

At Webcor Group, we understand that to succeed in a continually evolving business, we need to always remember who we are: industrious, open, and transparent. Our achievements have also been forged from an equitable and engaging relationship with our consumers, employees and external stakeholders. These sets of beliefs and our ability to adapt to changing market trends underpin our values and guide us in the conduct of our daily business.





Description Of Actions



HUMAN RIGHTS

PRINCIPLE 1:

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

PRINCIPLE 2:

Make sure that they are not complicit in human rights abuses



HUMAN RIGHTS

Webcor respects the human rights of its people and implements domestic and foreign laws related to HR in all its areas of operations. This is supported by our strong governance and ethics

Relevant Webcor Group Actions

■ Training on new Code of Ethics

In 2016 we revised our Code of Ethics based on the principles of the UN Global Compact. A training session for all employees was conducted to inform them about the new provisions of the code and a “Speak Up” program was launched to support the code and ensure that all ethical breaches are reported and handled.

WE ARE DIRECTED BY OUR MORAL COMPASS

The Code of Ethics sets the foundation for the way we conduct our business.

Care for our colleagues and our business partners
Obey the law
Maintain high levels of safety, security, health and environmental standards
Preserve our assets and resources
Avoid conflict of interest
Strive for fairness and high ethical standard
Speak with honesty



WEBCOR
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■ Supporting employees' medical expenses

We commit to implementing an equal insurance policy across the Group. So far, we have taken the following measures:

- Our employees receive health insurance, employment insurance and employee compensation insurance.
- All our employees benefit from a retirement pension plan and an insurance policy for accidents that happen at work.
- All expatriates receive a private medical insurance and often their dependents too.



HUMAN RIGHTS

Relevant Webcor Group Actions



■ Launching the Training Academy

In May 2014, we launched the AngoAlissar Academy with the purpose of training and developing the technical skills of our employees in Angola.

Up till today, 835 employees received training on variable skills with focus on developing their talents and enabling them to better serve our customers. Training courses included miscellaneous topics including: Supply Chain & Logistics, Accounting for the Non-Accountant, Finance for Non-Finance Managers, English for Angolans and Portuguese for Expatriates. Trainings were delivered across all our operations' areas in Angola, namely: Luanda, Lobito, Cabinda, Huambo, Benguela, Lubango, Namibe and Kuito .

■ Looking after health and Safety

- Webcor is highly committed to maintaining the best health and safety standards across its entire work environment.
- All our offices and warehouses have good working conditions; we control the lighting, temperature, hygiene and ventilation of all our facilities.
- In Angola, where the majority of our operations and facilities are based, we created an Employee Committee for health and safety issues. The Committee members received a training session by the national firefighting brigade
- We have purchased Personal Protective Equipment such as cold suits, masks and boots with steel-toe caps, to safeguard the health and improve the working conditions of our employees.
- We ensure that a regular checkup is made on safety warning signs, information and all firefighting means such as fire extinguishers, hoses, and pumps.



HUMAN RIGHTS

■ Ensuring local community engagement

In line with our commitment to engage our team members in their community, we created the Employee Community Engagement Program: we'd allocate a day off from work where our team can engage together to empower less fortunate people of our community. In short, **We Engage to Empower.**

Dubai, UAE

On Sunday the 22nd of May 2016, we partnered with SNF, a development center which helps young adults with special needs to facilitate their life-long learning and development. The team members engaged together to empower 38 young adults from SNF. The day started with a yoga session performed by professionals, followed by rally competitions held by entertainers, then finally ended with an art therapy session. It was a day of true personal fulfillment for our team members.



Beirut, Lebanon

On Friday the 15th of July 2016, our Beirut team held their second “Engage to Empower” event. We chose to partner with SOS, a child care village that builds families for children in need and visited them in the beautiful village of Bhersaf, Mount Lebanon. 45 team members joined forces to create a special day for 65 children from the village. During the visit, we engaged together in live stations of rally games and distributed gifts to every child. To the children, this event helped them create a joyful memory, while to us, it served as a reminder that there is more to life than what our daily routine commands.



HUMAN RIGHTS

Relevant Webcor Group Actions

Associação Kudia Banco Alimentar (AKBA)



Angola

Angola is a major market for the Group and a main pillar for our CSR strategy which aims at giving back to our communities in a sustainable manner. Therefore, we seek to create long-term partnerships that provide us with continuous support.

AKBA

In line with our responsibility to address social and economic challenges in Angola, our CSR Manager with the support of the Board, co- founded the non-profit “ Kudia Association Banco Alimentaire (AKBA)” in 2016. AKBA is a non-profit organization aiming to contribute to the eradication of hunger, the prevention of food waste and the development of nutritional awareness across Angola.

In May 2016, we donated a 270sqm warehouse to serve as AKBA’s headquarters. The warehouse is strategically located in the BUNGO area near the port. Our team members joined forces to fully restore the facility by building an office, maintaining a hygienic location, restoring the floors and ceiling, painting walls and providing water tanks. Our mission is to support AKBA’s vision until fulfillment: to end hunger in Angola by 2025.

EFFA

In 2014, Webcor partnered with the European Foundation for Angola (EFFA) to support its mission in taking part in the development and promotion of the Republic of Angola. On February 2016, our team in Angola teamed up with EFFA and Caritas of Angola to support 100 villagers who suffered from the drought of Cunene with in-kind donations. We are currently working to support EFFA in its campaign for Flour Enrichment with iron and folic acid across Angola.

We also support two local Angolan charities with monthly in-kind food donations:

- ADPP** which provides support for those infected or affected by AIDS.
- ORGANIZAÇÃO RAIZES DE ESPERANÇA** which provides shelter and education for street kids.



LABOR

PRINCIPLE 3:

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

PRINCIPLE 4:

The elimination of all forms of forced and compulsory labor

PRINCIPLE 5:

The effective abolition of child labor

PRINCIPLE 6:

The elimination of discrimination in respect of employment and occupation



LABOR

Relevant Webcor Group Actions



We recognize the right of our employees to establish or join organizations, peacefully and legally, and to exercise their right to collective bargaining. We also regularly organize company events, fairs, dinners and conferences, and are always keen on pursuing the following objectives:

- Ensure that the company does not participate in any form of forced or bonded labor
- Comply with minimum wage standards
- Ensure that employment-related decisions are based on relevant and objective criteria

■ Employees' Diversity

- We are proud of our team's diversity we have more than 14 different nationalities at our group. We strive to build an environment which is inclusive of all differences.
- We will recruit, employ and promote employees on the sole basis of the qualifications and abilities required for the work to be performed.

■ Fair Evaluation & Compensation

- Webcor ensures that all employees receive fair compensation, benefits and packages tailored to the local marketplace.
- The lowest professional category at Webcor is 9,6% above the minimum wage standards.
- Webcor applies a standardized evaluation system. A Performance Evaluation is conducted annually and bonuses are paid in accordance with business performance.
- We abstain from employing children or forced labor.



LABOR

Relevant Webcor Group Actions



■ Work/Life Balance

ANEP PROGRAM

- ANEP is an association established by Mr. Ali Nesr, the founder and Chairman of Webcor Group, with the aim of supporting the education of distinguished individuals among the Group employees' children. The program stems from Mr. Ali's firm belief in higher education and his dedication to acknowledging loyal and committed members of the Group.
- The program offers high academic performers, among the sons and daughters of Webcor's employees, a chance to pursue their Bachelor degree at the most reputable universities by providing them with scholarships to support their educational goals.
- All students undertake a yearly summer internship to allow them to develop their skills and gain experience while they are still studying.
- Advisors are assigned to follow up with students to guide them when needed.

The program has allocated 8 scholarships already, distributed across the following Universities : Kings College , Lebanese American university, University of saint joseph, Instituto Superior Politecnico de Angola, Instituto Superior Tecnico Independente, Istiuto Superior Politecnico de Benguela.



ALI NESR EDUCATIONAL PROGRAM





ENVIRONMENT

PRINCIPLE 7:

Business should support a precautionary approach to environmental challenges

PRINCIPLE 8:

Undertake initiatives to promote greater environmental responsibilities

PRINCIPLE 9:

Encourage the development and diffusion of environmentally friendly technologies



ENVIRONMENT

We aim to manage and minimize our impact on the environment across all our operations in order to ensure that we grow sustainably and not at the expense of future generations.

Relevant Webcor Group Actions



■ IT Solutions

In 2016 we heavily invested in environmentally friendly technologies, as detailed in the following table.

Solution	Benefits	Implemented / Beneficiaries
Videoconferencing	Improves communication and minimizes travel burden and costs	Main offices in Dubai, Geneva, Beirut and Angola
Voice Over IP Phones and PC Client	Improves communication quality and minimizes costs	Across the Group
Skype for Business	Provides secure audio and video communication, and an effective collaboration business tool	Currently accessible by limited users but it will be rolled out across the Group by year end.
VPN	Provides a secure way to work from home, and abroad	Across the Group
Centralized Office Printers	Minimizes power usage, limits waste, and improves environmental performance	Across the Group
Mobile business email	Provides employees with access to business emails on their phones, reduces the burden of returning to office/using laptop	Across the Group
Web email	Provides secure access to business email from other devices, whether from home, on business travel, or on leave	Across the Group
RFP Process	Our RFP and vendor Selection Process filters through +3 vendors to bid, using selection criteria like Demo, Functionalities, Price, References, Methodology, etc.	IT Department



ENVIRONMENT

Relevant Webcor Group Actions



■ Flour Mill in Luanda

We are currently developing A flour mill in Luanda. In line with our aim to minimize our environmental footprint the mill was supplied with the following energy saving solutions;

- A motor soft starter: which is a device used with AC electrical motors to temporarily reduce the load and torque in the power train and electric current surge of the motor during start-up. The main achievement is the reduction of mechanical stresses in the motor and shaft but also on the electrical distribution network and consumption reduction.
- Efficient engines: The engine model we have selected has lower emissions and consumes less fuel than ordinary engines.
- Economizer: a mechanical device installed in the boiler house which reduces energy and water consumption.

ENVIRONMENTAL INITIATIVES

We also launched several important initiatives, including:

- The Earth Challenge: On April 22nd, 2015, our CSR Department launched the Earth Challenge, whereby employees were asked to undertake an environmentally friendly act. The three people with the most creative acts won valuable gifts.
- The Paper Reduction Campaign: In 2014, we launched a paper reduction campaign, which is still ongoing. We were able to reduce consumption by 24%. Quarterly reminders are sent to employees on how they can reduce their usage of papers.
- Recycling waste in offices: We recycle all our waste in three of our offices: Beirut, Geneva and Dubai.



ANTI-CORRUPTION

PRINCIPLE 10:

Business should work against corruption in all its forms including extortion and bribery.

ANTI-CORRUPTION

Relevant Webcor Group Compliance Actions

Our Code of Ethics states that no Webcor Group representative shall engage in any corruptive practices with the intention of improperly obtaining or retaining business.



■ Speak Up Program

To support the proper implementation of our Code, we launched our Speak Up program where employees can report any ethical breaches. The program is designed to foster a safe working environment by deterring malpractice and averting crises. Reporting of issues will detect and possibly deter any further wrongdoings, creating an open culture.



The Speak Up program is managed by an investigation committee consisting of four members. Any employee can report breaches orally or in writing; they can also choose to remain anonymous. After receiving a complaint, the committee launches an investigation plan and notifies the employee of the action taken to resolve the malpractice.



ANTI-CORRUPTION

There are four principles which govern the program:

1. Confidentiality: We will maintain the confidentiality of any individual involved in our Speak Up program (the person making the complaint and the one subject to the complaint).
2. Non retaliation: We commit to protect complainants from any form of retaliation as a result of the complaint. The whistleblower is a hero that is working for the good of the company, his colleagues and our customers.
3. Neutrality: We will approach all investigations from a neutral unbiased position, with complete objectivity.
4. Penalty for making false allegations: malicious use of the program will result in a warning or a disciplinary action.

In 2016, we investigated 15 cases in accordance with our Speak Up program, relating to malpractice, discrimination, health and safety, theft and harassment.

On this front, our 2017 company objective is to continue to provide education to all employees about corruption, as well as on what to do if one should encounter it.





MEASUREMENT OF OUTCOMES





Demographics of man-
agement and employees:

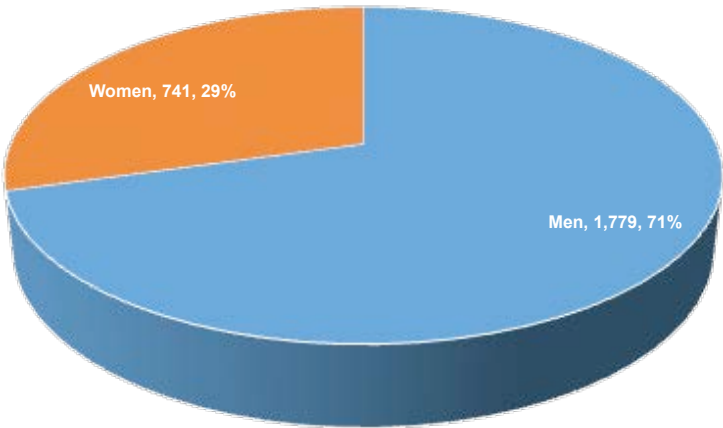
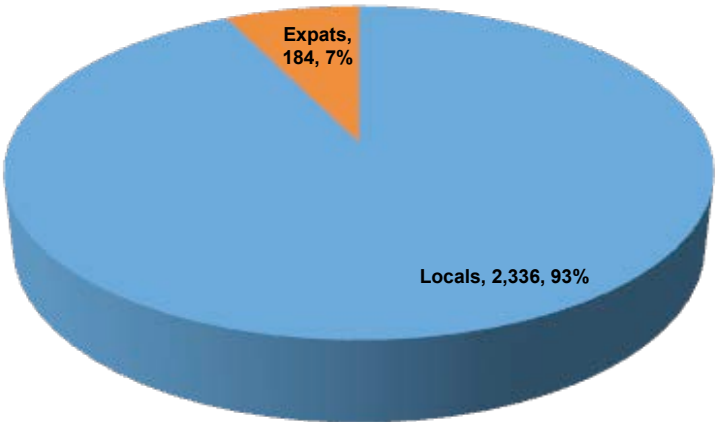
	Locals	%	Expats	%	Men	%	Women	%	Total
Angola	2,271	94%	156	6%	1,720	71%	707	29%	2,427
Lebanon	47	100%	0	0%	24	51%	23	49%	47
Dubai	0	0%	28	100%	24	86%	4	14%	28
Geneva	18	100%	0	0%	11	61%	7	39%	18
Total	2,336	93%	184	7%	1,779	71%	741	29%	2,520

Country	Locals	%	Expats	%	Men	%	Women	%	Total
Total	2,336	%93	184	%7	1,779	%71	741	%29	2,520

Our people are of 15 plus nationalities coming from the following countries	
India	
Lebanon	
Switzerland	
France	
Portugal	
Brazil	
Argentina	
Angola	
Mozambique	
Canada	
Australia	
UK	
Singapore	
Thailand	
Philippines	



Demographics of management and employees:





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