



UNGC COMMUNICATION
ON PROGRESS REPORT
**IMPLEMENTING
THE PRINCIPLES**



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PART 1

STATEMENT OF CONTINUED SUPPORT BY THE MANAGING DIRECTOR



I am pleased to confirm that Sixth of October Development & Investment Co. "SODIC" reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-corruption.

In our third Communication on Progress we describe the goals we set and the actions taken to integrate the ten principles into our business strategy, culture and daily operations. We are committed to share this information with our stakeholders using our primary channels of communication.

Sincerely,



Magued El Sherif
Managing Director, SODIC

PART 2

THE 10

PRINCIPLES

HUMAN RIGHTS

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

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

LABOUR

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 labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

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

Principle 8: undertake initiatives to promote greater environmental responsibility; and

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

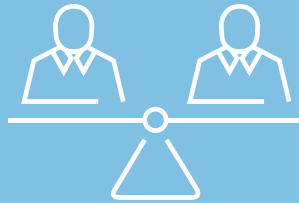
ANTI-CORRUPTION

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

PART 3

COMMUNICATION ON PROGRESS

HUMAN RIGHTS



Goal:

SODIC is planning to introduce the concept of theme adventure parks in its projects to provide more landscape and outdoor areas for its customers, which can be used all year round for various activities.

Progress:

SODIC has signed a memorandum of understanding with Uno Parks, one of the most renowned adventure parks operators and owners, to explore the chances of developing anchor adventure parks within SODIC's developments. This initiative will provide SODIC's customers with more open space, landscape, outdoor areas and a wider range of activities.



LABOUR

**Goal:**

SODIC Human Resources department aims to offer benefits for working mothers.

Progress:

SODIC's Human Resources department has successfully dedicated one of the rooms in the new office building to be a nursery room where working mothers can leave their children in a safe environment, making it easier for them to work. This room was made to ensure a safer, more entertaining, wider and more hygienic space than the room in the old premises. This ensures the facilitation of working mothers to return to work promptly with no worries regarding leaving their child behind.

ENVIRONMENT

**Goal:**

SODIC is planning to use load bearing walls in some of its project, 'The Strip', as a means for reducing electrical consumption.

Progress:

SODIC has implemented the use of load bearing walls (isolated concrete foam), which is a structural concrete system for walls, usually made of a rigid thermal isolation, that stays in place as a permanent interior and exterior substrate for walls. These walls give better sound and thermal insulation, which affectively will lead to the reduction of electrical consumption later on.



Goal:

SODIC will change the standard design from flat slabs and concrete retaining walls to post tension slabs in order to minimize the need for ready mix concrete and steel reinforcement and to reduce electrical consumption.

Progress:

SODIC has used post-tensioned slabs in 'The Strip' project. These flat slabs are typically band beam slabs or ribbed slabs. Post-tensioned slabs offer the thinnest slab type, as concrete is worked to its strengths, mostly being kept in compression. Longer spans can be achieved due to pre-stress, which can also be used to counteract deflections. The benefit of using post-tensioned slabs is based on the reduction of steel reinforcement use.



10 THE HUB

9

2

AVERAGE TRIPS
EXPECTED
IS A MINIMUM OF

500 TRIP
DAY

Goal:

Within its developments, SODIC shall encourage the use of alternative transportation systems which provides meanwhile a return on investment such as electronically leasable golf carts and bicycles.

- Progress:**

SODIC Ride: SODIC has recently launched SODIC Ride; an application that connects passengers with the on-demand and in-advance car service taken by fully licensed and professional drivers. Users are able to request a solar powered club car - anywhere within SODIC West, providing a clean and eco-friendly alternative means of transportation. We will start with one stop at the Hub and nine carts with two shifts. A study was made by making Westtown Hub the focal point to measure the average distance that the carts will travel in a one way trip. The average trips expected is a minimum of 500 trip/day.

8

STATIONS IN
SODIC WEST

- **Progress:**

Building on the much appreciated presence with Gouna, SODIC has worked closely to bring Badel – a solution providing leasable bicycles to users – across Westtown to reduce carbon emissions by cars and other transport. Badel will give an eco-friendly option for transportation within SODIC's premises. Eight bike stations have already been placed and distributed around SODIC West, in preparation to operate soon.



100%

OF RE-USABLE MATERIAL FROM OLD
HEADQUARTERS WILL BE RECYCLED AND
RE-USED IN FUTURE PROJECTS

Goal:

SODIC will adopt a recycling initiative whereby its existing headquarters, which is made of a steel structure, shall be dismantled and mostly reused in one of our new developments as sales offices and mockups.

Progress:

SODIC has partially moved out to its new Headquarters at The Polygon, as part of a bigger plan to empty and dismantle its previous steel structure headquarters. Once dismantled, the structure shall be reused within new developments, possibly sales centers and mockups.

Goal:

SODIC's Development department is continuously coming up with ideas to integrate alternative energy sources in its projects.

Progress:

SODIC is currently considering the possibility of integrating solar panels within its new designs, a solution that will enable users to cut down their utility costs, generate their share of electricity and help create a sustainable eco-friendly environment.

Goal:

The Human Resources department is planning to put in place a more energy efficient HR system.

Progress:

The HR Department is currently automating all its HR Systems through its HRIS "HITS". The modules will save a lot of paperwork especially in areas of Headcount Management, Recruitment, Training, Performance Management and Employee Exit. This will save a lot of paperwork in addition to the recently introduced intranet "My SODIC" where a lot of HR Services will be done without the use of paper.

40%

OF ELECTRICITY CONSUMPTION
AND SPARE PARTS REPLACEMENT



ALL FUTURE
DEVELOPMENTS WILL
BE DESIGNED TO
UTILIZE LED LIGHTS.

Goal:

SODIC is aiming to use more energy efficient light bulbs in the lamp posts in its projects.

Progress:

By end of 2018, SODIC developments will be fully utilizing LED lights in every aspect, encompassing all indoor, outdoor, landscape and street lighting fixtures. This will save more than 40% of electricity consumption and spare parts replacement. As a FM standard requirement, all future developments will be designed to utilize LED lights.

ANTI-CORRUPTION



Goal:

SODIC aims to put in place a new procurement system that ensures “No” corruption.

Progress:

Starting 2016, the Procurement department put in place a new e-procurement system. This system aims to ensure a high level of transparency and efficiency starting from the bidders selection up to the award stage by having every step in the process saved electronically on the system, and by keeping every step traceable as well as auditable. This in turn eliminates the chance of foul-play and avoids any kinds of fraud.

CORPORATE SOCIAL RESPONSIBILITY



45,000,000

EGP INVESTED
IN CSR EFFORTS

SODIC has three different CSR platforms; Education, Rehabilitation and Relief. Since inception SODIC has been committed to giving back to its community and has invested over EGP 45,000,000 in CSR efforts. Our programs are managed against predetermined KPI's and geared towards maximizing impact and reaching eventual financial sustainability.

Education:

Egypt's sustainable development starts with well-educated children who will eventually reach their potential as productive and capable citizens contributing fully to their families and societies. SODIC invested in 3 different education projects in 2016/2017.



1. Educate-Me: Transforming education in Cairo's slums through a Learning Centre in Talbeya (2014 – present):

- Educate-Me runs a non-profit community school in Talbeya that delivers a learner-centred skill-based teaching approach that helps students become active decision-makers in their own destiny.
- Educate Me develops syllabuses comprised of subjects from the Egyptian National educational system administered alongside 21st century skills such as creativity, collaboration, communication, critical thinking and productivity; so far, Educate Me has 350 students.

350

DIRECT IMPACT
ON STUDENTS

300

TRAINED TEACHERS

- Educate Me also trains and develops public school staff and teachers. The training enables the school staff to manage children's behaviour, understand their growth and development, and equip the children with 21st century skills. To date, Educate Me has trained over 300 teachers from different public and private schools.
- With the school acting as an ongoing laboratory for new curricula and concepts, Educate Me's model of designing, testing and training public schools, all under the auspice of the Ministry of Education.
- SODIC supports Educate-Me to implement its business plan by strengthening its model, growing its current school to a second school and increasing outreach through for-fee training.

2. Tawasol for developing Stabl Antar: Educating children who had escaped regular schooling (2013 – present)

- Operating in Stabl Antar in old Cairo since 2008, Tawasol runs a small community school for children who have escaped schooling. The school provides children with regular schooling and vocational training including sewing and crochet, carpentry and carpet hand weaving. The school also offers access to facilities like a library, computer lab and choir and theatre classes.
- Tawasol is currently building a school that will take up to 500 students, and developing an online store to sell its handmade products to generate revenue streams for the organization.

Tawasol New Building



500 150

STUDENTS

STUDENTS SUPPORTED
BY SODIC IN 2016/2017

- SODIC has supported around 150 students in 2016/2017, and has provided them a government-certified primary and preparatory education with a focus on creative and performing arts education through different classes while developing the vocational training that provides several activities from which students can choose in order to learn a skill. Students earn a weekly stipend that is given as an incentive for children to attend school (since many parents used to send their children work instead of attending school) and it is also teaches children the value of learning a vocational skill.
- SODIC has also funded the creation of an online store and online marketing campaign to promote and sell Tawasol's handmade products to generate an income for the school to ensure its long term sustainability. So far, not only has the online store broken even, but it has made 60,000 Egyptian pounds in sales.



Tawasol Old Building



3. Nafham.com: a free online educational platform

- Nafham.com is a free online educational platform that has digitised 90% of the Egyptian school curriculum.
- The content is made accessible online for free through 23,000 instructional videos. Nafham.com has 500,000 active users per month, and up to 5 million lesson views per month, making it the largest educational platform in Egypt as well as in the Middle East.
- SODIC has supported Nafham to develop its business plan, create 600 new videos, and expand its services to a teacher-to-student for-fee educational one-on-one support and assessment, assigning 10 teachers to pilot test the model as a form of quality control. SODIC's support to Nafham.com helps them further develop their educational content and widen their reach as well as grow their revenue stream to ensure sustainability.

10

TEACHERS TO PILOT
TEST THE MODEL

600

NEW VIDEOS



35

BAGS OF
BLOOD COLLECTED

SODIC Relief:

SODIC's CSR focuses on three main platforms; education, rehabilitation and relief. Our relief programme allows for philanthropic initiatives where employees can participate in giving back. Relief initiatives include blood drives, blanket drives, salary drives, toy drives, food distributions as well as donations to different health institutions. This program has affected over 2,500 lives in the year 2016/2017.

1. Blood drive



As part of SODIC's relief initiatives, SODIC employees participated in SODIC's annual blood drive on the 10th of November, 2016. The National Blood Bank of Egypt came to SODIC's headquarters to collect the donations and through employees' contribution successfully collected 35 bags of blood; potentially saving many people's lives.

30,000 EGP

= 150 

2. Blanket drive:

In Egypt, winter can get really cold in areas with little shelter and scarce resources, especially in these trying times. SODIC employees spread the warmth by joining our salary drive where we bought and distributed blankets to impoverished areas across Egypt. SODIC collected 30,000 Egyptian pounds, which equaled to 150 blankets that were directed to the Egyptian Clothing Bank (an affiliate of the Egyptian Food Bank).



3. World Health Day

41,000

EGP COLLECTED FOR THE MAGDI
YAKOUB HEART FOUNDATION

World Health Day is a global health awareness day that takes place every year on the 7th of April, under the sponsorship of the World Health Organization (WHO). According to WHO, the top cause of death in Egypt is heart disease. So, this year, on the 6th of April, SODIC employees wore red to show their support as well as collected 41,000 Egyptian pounds for the Magdi Yacoub Heart Foundation. This donated amount was used to buy two Patient Monitoring Devices.

4. Ramadan Packing

494 PACKED
STAPLE BAGS



In Ramadan 2017, SODIC employees came together in the spirit of the holy month and successfully packed 494 staple bags that were sent to impoverished families in Upper Egypt. Each staple bag had food components that lasted up to 3 weeks and fed a family of 5.

CONTACT US

www.sodic.com

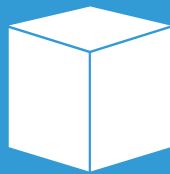
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