



HOLDIPHARMA

Communication on Progress Report 2018

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STATEMENT OF SUPPORT

On behalf of Holdipharma company , I am very pleased to confirm that Holdipharma reaffirms its support for the Ten Principles of the United Nations Global Compact in four key areas - Human Rights, Labor, Environment and Anticorruption. In this, the first annual Communication on Progress, we describe our actions taken to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information publicly by using our primary channels of communication and promote transparency and good practices.

Sincerely yours,

MR .Wanis Mohamed Wanis

Chairman 14-2-2018

United Nations Global Compact principles

Global Compact Principles	Disclosures	HoldiPharma Position
1-Businesses should support and respect the protection of internationally proclaimed human rights.	Human Rights	We conduct business responsibly according to the highest ethical standards, including respect for human rights. We are working toward fuller implementation of these principles throughout our supply network.
2-Businesses should make sure that they are not complicit in human rights abuses	Human Rights Local Communities	
3-Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Freedom of Association Labor Relations	We respect the rights of employees to freedom of association and collective bargaining. We maintain a collaborative relationship with employees and address issues relating to their rights in a positive manner
4-Businesses should support the elimination of all forms of forced and compulsory labor.	Forced and Compulsory Labor	We do not engage in any practice that could be construed as forced labor. All HoldiPharma employees are employed lawfully and at their own free will.
5-Businesses should support the effective abolition of Child labor.	Child Labor	We respect and support the rights of children and are committed to safeguarding their interests. We do not employ children in any part of our business.
6- Businesses should support the elimination of discrimination in respect of employment and Occupation.	Labor Practices and Decent Work	We maintain a policy of equal opportunity and inclusive practices for new and current employees in all matters Relating to their employment with HoldiPharma.
7-Businesses should support a precautionary approach to environmental challenges.	Environmental	We adopt environmentally-oriented practices in our operations and conserve resources wherever possible.
8-Businesses should undertake initiatives to promote greater environmental responsibility.	Environmental	
9-Businesses should encourage the development and diffusion of environmentally friendly technologies	Environmental	
10-Businesses should work against corruption in all its forms, including extortion and bribery.	Anti-corruption	We are committed to behaving with integrity and acting against corruption.

Holdipharma aligning with the United Nations

(17) Sustainable Development Goals



(Supporting SDG 1)

Holdipharma pays its employees fair salaries and updated the minimum salary for all our workers.

Holdipharma donates medications to Egyptian poor Villages through Egyptian medical convoys.



(Supporting SDG2)

Holdipharma provides its employees with extra monthly fees for meals and milk.



(Supporting SDG3)

Holdipharma believes that we have an obligation, as well as an opportunity, to meet health needs by advancing effective and safe medicines with affordable prices for poor people taking into account social economic development for low-income employees.



(Supporting SDG 4)

-Holdipharma training centers are committed to provide our employees with specialized professional training programs designed with latest technical guidelines, knowledge and expertise.

-Holdipharma offers all pharmaceutical students the opportunity through summer training courses in different affiliated companies.

-Cooperation between universities and the pharmaceutical industry, for strengthen healthcare systems.



(Supporting SDG 5)

-Holdipharma promotes gender equality, provides equal opportunities for both men and women in recruitment, training, career development and providing a safe work environment.



(Supporting SDG 6)

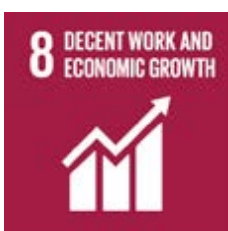
-Holdipharma Identifies water risks and opportunities in regions of operation and implementing actions to optimize water consumption reduce wastewater discharge and increase water recycling and re-use opportunities.



(Supporting SDG 7)

-Holdipharma Ensure access to affordable, reliable, sustainable and clean energy.

-Addressing climate change risks and opportunities, reducing Gases emissions and focusing on energy efficiency and renewable energy.



(Supporting SDG8)

-Holdipharma is committed to provide employment and to promote a diverse and inclusive working environment.

-Holdipharma strives to increase the living standards of its community members hence, provides a medical insurance, a life insurance as well as pension insurance for its employees.



(Supporting SDG 9)

-Holdipharma capability-building efforts are focusing on patient care, research and development, and business skills, aiming to improve health outcomes.

-Cooperation between universities and the pharmaceutical industry, to strengthen healthcare systems.

-Holdipharma strives to develop medicine and products that can generate positive real-world outcomes for patient.



(Supporting SDG 10)

-Holdipharma policies are to prevent any form of discrimination according to sex or religion or any other criterion.

-There is a 5% allocation of jobs for individuals with disabilities.



. (Supporting SDG 11)

-Holdipharma is committed to promote environmental protection and minimizing the impact of our business activities on the environment.



(Supporting SDG 12)

-Holdipharma policies enhance reducing waste, its disposition appropriately and optimizing opportunities for waste recovery, recycling and re-use.



(Supporting SDG 13)

-Holdipharma combats the impact of climate change by improving our energy and emissions efficiencies, generating and purchasing renewable energy.



(Supporting SDG 14)

-Holdipharma is committed to avoid water pollution by preventing and reducing waste water discharges and replacement of harmful substances.

-Waste water is treated to minimize the impact on the aquatic environment.



(Supporting SDG 15)

-Holdipharma is committed to protect, restore and promote sustainable use of terrestrial ecosystems.

-Holdipharma is committed to fight desertification and land.



(Supporting SDG 16)

-Holdipharma supports policies and processes regarding corporate governance and business ethics by participating in awareness conferences for Peace (No terrorism & No Violence) and workshops, conferences for empowering women and project programs for helping Syrian refugees.



(Supporting SDG 17)

-Holdipharma seeks effective partnerships to deliver treatments and quality care to as many people as possible. It also provides partnership with governments, public, private sector, nongovernmental organizations, local communities, United Nations Organizations, research and academic institute to enhance the global partnership for sustainable development.

About US



(Supporting SDG 3)

Holdipharma is a governmental pharmaceutical company a subsidiary from ministry of public business sector and considered as the holding company for 11 affiliated national companies, 8 of which is manufacturers for most of pharmaceutical generics, 2 of them are related to trade working for import and distribution, and one is for packaging materials. Decades of experience in manufacturing, importing, exporting, distribution & trade of pharmaceuticals, chemicals, medical appliances & equipments has enabled the company to establish a leading position in the Egyptian, African and Middle East markets.

Website: www.holdipharma.com

We believe that we have an obligation, as well as an opportunity, to meet health needs by advancing effective and safe medicines with affordable prices for poor people taking into account social economic development for low-income employees.

We believe in operating with transparency, honesty and highest degree of ethics and integrity, making sure that the company complies with all applicable pharmaceutical laws and regulations.

Holdipharma is committed to meet our customers' needs and global regulatory requirements regarding the research, development, manufacturing, packaging, testing, supplying and marketing our products.

Holdipharma is committed to maintain the highest quality standards and cGMP for our products to ensure patient's safety with affordable prices as a part of our social responsibility as a pharmaceutical company.

Our Values and social responsibility are the basis of our success depending on the integrity, knowledge, skills, flexibility and teamwork of our employees to create an environment of mutual respect and encouragement.

Mission and Vision

Vision Statement

Holdipharma aspires to compete for the leadership position in the Middle East and Africa region as a reputable manufacturer, distributor and marketer of quality research based pharmaceutical and medical products that will improve the quality of life of the standard majority of the public in the key growing therapeutic areas.

Mission Statement

Holdipharma is building a global profile by creating a synergized competitive " value chain " generated from the power of integration of its empowered affiliated companies leading to a swift penetration of the healthcare markets in the middle east and Africa region.

Core Values

Holdipharma ensures Human Rights, Labour, Environment and Anti-corruption, and promotes gender equity and women empowerment with healthy and safety work environment.

Holdipharma respects and support the promotion of accountable and inclusive institutions and ensure just and peaceful societies for all.

Holdipharma is built on a concrete foundation of core values originating from a strong sense of commitment towards our nation, region, patients, healthcare professionals, partners, environment & employees.

To our nation we are committed to contributing to its prosperity of our nation by actively attending to its major healthcare needs and running our business effectively and efficiently to the best interest of the public.

To our region we are committed to playing a role model that tackles and handles with care all major health care problems and to provide all our to provide all our neighbors with their essential and life saving products.

To our Patients we are committed to providing them with quality products that are both reliable and cost effective covering all disease areas.

To our health care professionals we are committed to enriching their armamentarium with products and solutions that will guarantee an effective, safe and profitable practice.

To our partners we committed to developing a win-win strategy that will ensure maximum transparency and world-class services.

To our Employees we are committed to creating a healthy atmosphere that sharpen their skills, polish their talents and realize their potentials.

Our Strategy

Our strategic plan for growth strengthens our leadership in Egypt, Middle East & Africa depending on four main mile stones:

A clear vision that will enable us to predict and carefully prepare for the fast changing market dynamics.

A precise mission that will direct our efforts towards achieving our fundamental goals.

A value chain that will install concrete landmarks on our road map.

A set of core of values that genuinely reflects our keen sense of commitment towards our nation, region, patients, healthcare professionals, partners & employees.

We have established our strategy for growth through clear Pillars:

- **People:** Building capacity by developing a highly skilled employees and effective work force attracting, keeping and developing talented youth and women through continuous training, education and changing working culture to support our future growth plans.
- **Process:** Maintaining high quality manufacturing facilities, efficient operation and focusing on Current Good Manufacturing Practices (cGMPs) and adapting our process with the global pharmaceutical guide lines.
 - Investment in new technology & renovation of equipment, machines appliances and building new factories.
 - Improving productivity, logistics and supply chain management.
- **Portfolio:** Optimizing portfolio opportunities.
 - The continuous introduction of new products in growing therapeutic areas is critical to the growth and profitability of all of our business.
- **Partners:** Developing successful partnerships is a key to access new products and new technologies that will enhance and expand our business. We are committed to develop our existing relationships and fostering new ones.
- **Profit:** Maximizing return to shareowners while being mindful of our overall responsibilities.
 - Maintaining our commitment as a key role in corporate social responsibility in Egypt.
- **Planet:** We commit to respect, protect and preserve our planet's natural resources and climate for future generations.
- **Prosperity:** Ensures prosperous and fulfilling lives in harmony with nature.
- **Peace:** Fosters peaceful, just and inclusive societies.

Holdipharma is committed to respect the Ten Principles of the UN Global Compact in 2015 to take action in support of UN Goals in the four areas: Human Rights, Labour, Environment and Anti-corruption.

- We are committed to make the Global Compact and its principles part of the strategy, culture and day to day operations of our company and to engage in collaborative projects which advance the goals of the United Nations, particularly the Sustainability Development goals..

SUSTAINABILITY STRATEGY

Human rights are important elements of our company's commitment to conduct our business in a responsible manner.

We maintain labor standards, including hours, conditions, wages and overtime pay practices that are in compliance with the laws under which we operate.

We are committed to understand and manage the environmental impacts of our products throughout their life cycles—from discovery through manufacturing, use and disposal. Protecting our people, our communities and the environment is fundamentally important to the way our company operates.

Our Environmental Sustainability Strategy focuses on three main areas:

Efficient Operations

- Reducing our environmental impacts through energy efficiency and water-use-reduction initiatives, as well as efficiently using raw materials and handling our waste.

For Environment

- Innovating to reduce the environmental impacts of our new products and packaging through the use of green chemistry, life cycle assessments, and other sustainable design principles.

Reduce Risks in Value Chain

- Understanding the environmental impacts and risks that are upstream and downstream of our own operations, and working to minimize those impacts. This is done through collaboration with our suppliers and customers to address our shared needs and interests in more efficient and environmentally beneficial ways.
- Building capacity through training, is critical to build worldwide employee competencies that will improve compliance, reduce risks and drive continuous improvement.

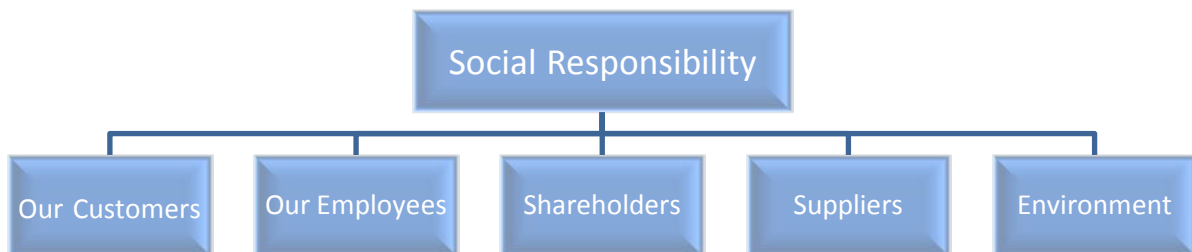
- Holdipharma ensures the elimination of corruption to build sustainable, inclusive and transparent societies.
- Holdipharma is Promoting good governance.
- Anti-corruption procedures are applied as they are essential to the rule of law and peace-building because corruption negatively impacts state capacity, social inclusion, and management of natural resources. Peace is a catalyst of sustainable development and is a prerequisite for the establishment of the rule of law and efforts to reduce corruption. Finally, rule of law is necessary to effectively address the drivers of violent conflict, illicit financial flows, and impunity, and to provide a legal framework which ensures impartiality and predictability.

Implementation:

- A call from Holdipharma's chairman to the CEO of all the affiliated companies to align strategies and operations with universal principles on human rights, labour, environment and anti-corruption, to take actions that advance societal goals.
- Nomination of the focal points for each affiliated company to follow up the progress in each area for the UN global compact.
- A committee from all the focal points of the affiliated companies was held for discussing the programs to:
 - ❖ Raise Awareness of the 10 principles of the UN Global compact and the 17 SDGs.
 - ❖ To conduct a Self assessment questionnaire to the four areas.(Risk assessment)
 - ❖ To develop training needs assessment.
 - ❖ To develop a measurable goal and an action plan for follow up in each Principle.
 - ❖ Reviewing all the systems in the company for publishing internal policies, and Code of Business Ethics that address all of our partners, suppliers and employees.
 - ❖ The training is aimed at business managers, and key functions such as Supply Chain Management, Human Resources, Legal and Integrity, Communications and Sustainability.
 - ❖ Human rights considerations will be integrated in supply chain questionnaire, Code of Conduct for our suppliers.
- Nomination of a responsible person for each area (sub-committee).
- Regular meetings are held continuously with the committee and the minutes are raised to the CEO s of the affiliated companies for follow up of the progress.

Holdipharma Social Responsibility

Our corporate responsibility's approach is oriented & compatible with our mission & our principles, that drives us to demonstrate this responsibility towards good health practices, ethical and transparent business practices, sustained commitment to good environmental practices, employees health and safety practices and building a mutual added- value with confidence towards our shareholders and our suppliers, our code of ethics is our direct way to confirm on sustainability of our business.



We recognize that we can't solve major health, environmental and economic challenges alone, so we collaborate with others who share our commitment.

We recognize that climate change can significantly impact global health and cause long-term risks to our business. The world's resources are limited, and over the next few decades, the demand for energy, clean water and natural resources will increase substantially due to population growth and economic development. We understand that business has a responsibility to use resources wisely and drive innovations that will enable global development while protecting and preserving the planet.

Our company aspires to be open and transparent about how we operate, in order to earn and retain the trust and confidence of our customers, employees, shareholders and other important stakeholders. Our reporting and governance structure is an integral part of this commitment.

We believe we have an important role and responsibility in improving access to medicine and quality health care worldwide, helping to reduce the burden of disease in the parts of the world that need it most. In everything we do—from the manufacturing to the distribution of our medicine, and other products—safety, quality and efficacy are our primary considerations.

Holdipharma's representative is an active member in the economic committee in Egyptian National Council for Women for supporting financial inclusion .

Holdipharma Donates medications to the Egyptian medical convoys, Egyptian poor Villages, participating in awareness conferences for Peace (No terrorism & No Violence)and lot of workshops, conferences & researches for empowering women and project programs for helping Syrian refugees.

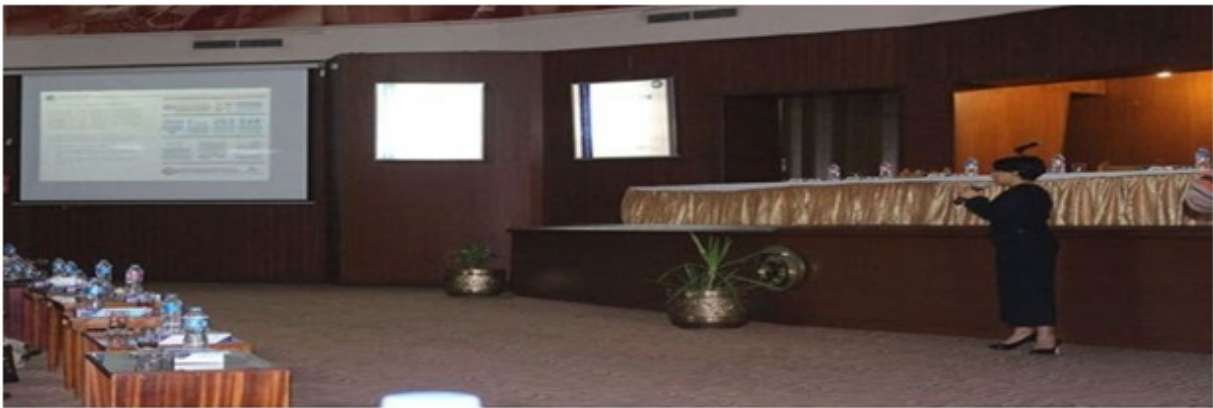
Holdipharma Training and H.R Development centers

We are honored to play a role in the global efforts to achieve the SDGs Through our ongoing Building caacity and raising the awareness of the UN global compact 10 principles & the Global Initiatives that Holdipharma committed. (7Principles for women empowerment & Pearl Initiative ...)



Global Compact Network Egypt

A (C Suit) Session to discuss the UNGC Principles and the SDGs 2030 engagement necessity among the GCNE activities to recruit and raise the awareness of potential participants at Holdi Pharma for 11 pharmaceutical companies under the holding company



Holdipharma training Centers are committed to provide our employees with specialized professional training programs designed with latest technical guidelines, knowledge and expertise that inspire and motivate employees to achieve goals to be able to face continuous Global challenges of the pharmaceutical industry development by raising awareness and building capacity for all the employees.

Holdipharma offers all pharmacy students the opportunity to realize their full potential, set their priorities and directions and develop their personality through summer training courses in different affiliated companies.

Holdipharma participated in workshops with the International Finance Corporation (IFC) , the Egyptian Institute of Directors & UN Global compact Egypt network to improve our control functions through: Business planning & Monitoring Processes, Organizational Structure & information Flow, HR & IT Management Functions, Risk Management Functions, Finance & Accounting, Internal Audit, External Audit, Diagnostic: how can you improve your Business through Management Control.

Our Affiliated Companies

Arab drug company for pharmaceuticals (ADCO)



The aerosols manufacturing line was primarily founded in early nineties and was using Freon gas as a carrying base in its production, but in year 2006, Egypt had signed on "Montréal agreement" for fighting environmental damage caused by Freon , since that commitment, the company has worked hard to exchange this gas to another environment friendly one, and assigned all the items stated in this agreement, by a successful collaboration with UNIDO association that aided the company with technology transfer supported by international experts assigned from Cardiff University in England and the Italian company "Ferry" with the Advisory consultation Group 12 C.



The company is developing another new section for the production of "Metered Dose Inhalers" in accordance to the latest GMP guidelines and the national requirements of the Egyptian Ministry of Health , it was successfully approved and licensed and began its actual production lately in December 2010 beside its old production of traditional inhalers used internally by inhalation or externally as topical anesthetic sprays or topical antibiotic spray "Polybiotic Spray", which is used widely for patients with burns and for surgical wounds.



Kahira Co. for Pharmaceutical and Chemical Industries

Kahira pharmaceutical company was distinguished as the first one between drug companies in the production of soft gelatin capsules, and the production of Syrups, Lotions, sterile and non-sterile drops, dry powders and granules, ointments and pastes.

The company has a unique sterile dedicated area for the production of cephalosporins that was established by the aid of American expertise and in accordance to the latest international guidelines.

Kahira Co. is the innovator for one of the important product for kidney stones & urinary tract infection .

A new extraction closed system line for extracting of Halfa Bar plant is now available at el-kahira site. (Proximol effervescent granules - Proximol Tablet)

-It will increase the production efficiency.



Certificate EG09/2323

The management system of

Kahira Pharmaceutical & Chemical Industries Co.

4 Abd El Hamed El Deeb St. Victoria Square, Shoubra,
Cairo, Egypt

has been assessed and certified as meeting the requirements of

ISO 9001:2015

For the following activities

**Design, Development and production of pharmaceutical products in
tablets, capsules, Granules, ointments, suppositories, syrups,
suspensions, drops, vials and ampoules.**

This certificate is valid from 17 January 2018 until 31 August 2018 and
remains valid subject to satisfactory surveillance audits.
Re certification audit due before 30 June 2018
Issue 4, Certified since 23 October 1997

The audit leading to this certificate commenced on 02/01/2018
Previous issue certificate validity date was until 31/08/2018

Authorised by



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Memphis Co. for Pharmaceutical and Chemical Industries

The company has built the first sterile area in the Middle East for the production of sterile ampoules and ointments beside establishing a highly sophisticated facility for medicinal plant extracts that were exported to several countries in Asia, Europe, America and Canada, in addition to production of various pharmaceutical dosage forms such as tablets, capsules, syrups, ointments, creams , suppositories and veterinary products.

The company owns three patency's certificates for its three unique extracts produced by the company (Amodin, amidine, Khellin) as well as three patent inventions for the treatment of patients with vitiligo, psoriasis and urinary tract complications.

Memphis Company contributes to the national project scheduled by the Egyptian MOH for the treatment of liver diseases (virus C) .



Misr Company for pharmaceutical industries

Misr Company is uniquely characterized by the existence of a dedicated manufacturing line for the production of penicillins (β -lactam antibiotics) with all its dosage forms to serve most of pharmaceutical companies as a toll manufacturer for this specialized production.

Misr company also owes a modernized well-equipped sterile areas built in accordance to the highest level of quality to manufacture ampoules, drops, sterile eye ointments and specialized surgical ampoules like morphine and pethidine , that are produced with complete control to ensure the quality and safety and with affordable price.



Chemical Industries Development Company (CID)



The company is the leading one responsible for providing the needs of MOH in Egypt, as it is obligated to participate in the national projects adopted by the Egyptian MOH, including the project for Mother and Child Health, project for preventing dehydration and diarrhea in newborns, and project of family planning.

The company is also unique for having the largest and most modern facility for the production of effervescent tablets with the latest international technologies, also unique for having a dedicated sterile zone for production of male and female sex Hormones in different types and forms for example: water and oily ampoules, in addition to the presence of the largest fully sophisticated line for the production of syrups and suspensions.



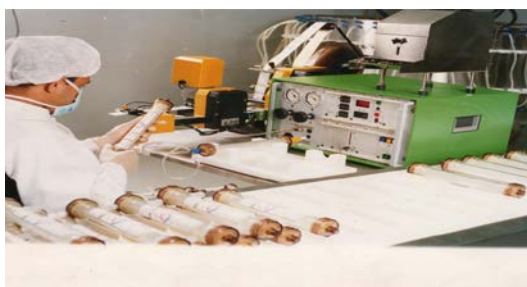
El Nasr Company



Nasr Company for Pharmaceutical & Chemicals had been constructed in 1960. The main objective to establish this company is to secure the production of raw materials, antibiotics and basic chemicals for the pharmaceutical industry in Egypt and Arab countries' strategic needed by pharmaceutical industries.

Nasr Company for Pharmaceutical & Chemicals is distinguished as the primary one in Egypt, Middle East and Africa because of its uniqueness in the production of organic and non-organic pharmaceuticals, veterinary medicine and veterinary raw materials, In addition to the production of Parenteral and Dialysis solutions, dialyses' filters and the needed medical appliances necessary for packaging of large volume parenteral.

The company is keen to update and modernize their production lines regularly in accordance to the latest requirements of cGMP.



Alexandria Company



Alexandria Pharmaceutical Company was re-established in 1962, develop many of the pharmaceuticals products, veterinary products.

The company is specialized in manufacturing of Anesthesia Carpools used for teeth surgical operations, as well as its exclusive production for medical supplies such as (surgical gloves, sterile gauze, medical adhesives, bandages and sterile medical appliances specially used insurgical operations) in accordance to the latest international specifications.

The company owns a specialized sterile production line for manufacturing of sterile drops alongside owing of production lines for most of the pharmaceutical dosage forms that manufacture a group of pharmaceutical products with high safety, quality and affordable price.

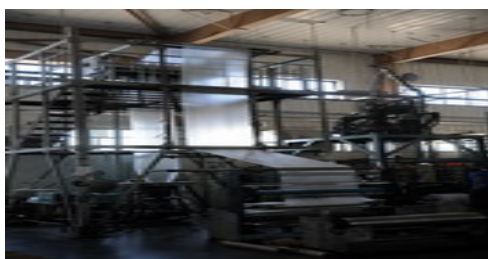


Medical appliances and Packages Company



Production of packaging materials whether for inner packaging adjacent to the medicine such as plastic containers, aluminum strips, tin or metal tubes, metal pipes, as well as the production of bakalitlids, toothbrushes, plastic hoses and flexible relays for blood transfusions. The Company is specialized also in production and distribution of medical supplies like medical beds and rolling chairs for hospitals and supplies needed for scientific laboratories. In addition to the new company's activities in the field of industrial limbs and prosthetic devices manufacturing company's new branch in Wayly.

The company is characterized by having a large production capacities with high quality , due to owing of the latest machines for colored printing , shaping and processing of aluminum and plastic containers and the formation of card boards.



The Egyptian pharmaceutical trading company (Egydrug)

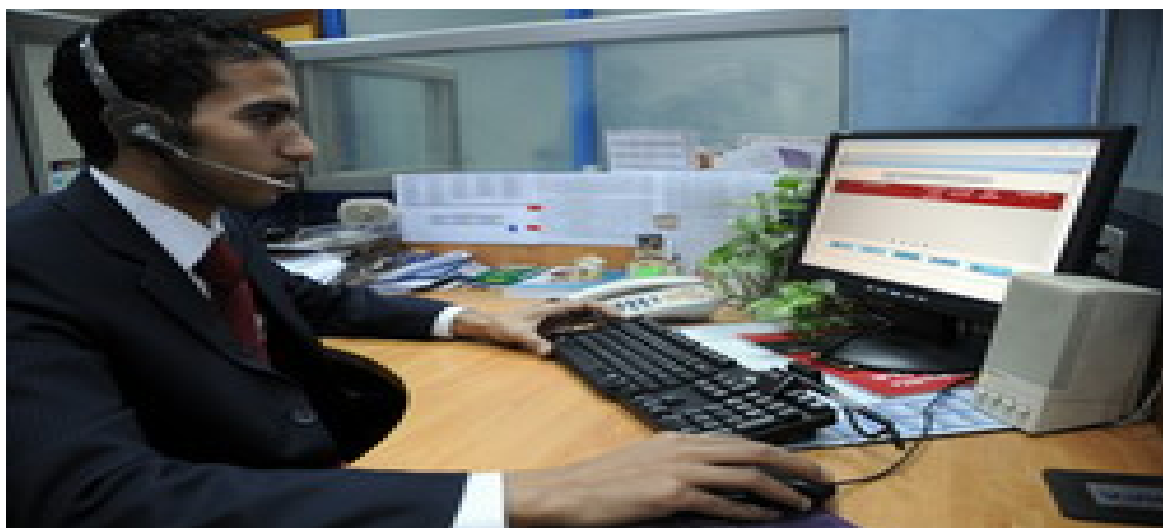


Its policy is mainly built on ensuring total efficiency and justice in providing medicine for all citizens all over the country as it is considered to be the largest importer and distributor for pharmaceuticals in Egypt, that's done through its 57 branches, 6 main centers in Cairo, Asiout, Mansoura and Alexandria, specialized in supplying hospitals. Besides, having 79 Pharmacies distributed all over the country, 25 pharmacies out of them are specialized for patients with Hepatitis.

Egydrug takes over its responsibility importing most of the Egyptian needs from imported high-tech drugs that couldn't be produced in our Egyptian facilities, in addition to importing vaccines, oncology drugs and biotech products that are needed by some Egyptian citizens, hospitals and National health organizations.

The company is considered to be the safety valve as it plays a unique role for the Egyptian citizens by providing and distributing all kinds of subsidized Infant's formulas and all kinds of Insulin as well as local pharmaceutical and manufactured products to all private and public pharmacies in all governorates, hospitals, medical institutions and health insurance agencies. As well as supplying all contraceptives for birth control centers, and providing all patients' needs 24/7 through its emergency pharmacies, and through its 7 call centers, that are operating on 2 shifts, as well as the main call center at shoubra.

Egydrug owes a huge number of well-equipped trucks to ensure cool transportation for heat sensitive products, as the company is unique in establishing the first Cold chain Pharmacy series in Egypt.



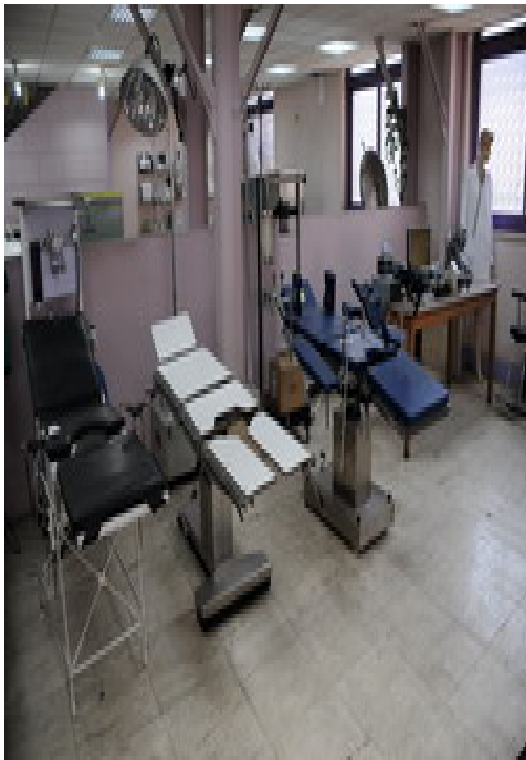
El-Gomhouria Company for Trading chemicals and medical supplies



It is the first national company obliged to import and trade the pharmaceutical raw materials, chemicals and laboratory instruments and devices to meet the increasing demand needed by the growing pharmaceutical industry in Egypt, beside that, the company imports all the needs of hospitals, Scientific universities and research centers from the needed laboratory chemicals, medical instruments and scientific devices, and provide most of these equipments to the public and private sectors.

In addition , the company imports and exports some of the educational materials and supplies for research centers and dental clinics units, also it has the largest specialized center for the installation, operation, validation and maintenance of these devices and training of newly graduated candidates from technical institutes.

The company is characterized by having a great experience in preparing hospitals and medical clinics with its supplies like therapeutic devices, medical beds, chairs and equipped facilities like laundries, and all the patients 'demands.



1-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.

Assessment, Policy and Goals

Holdipharma and its affiliated companies are committed to the Egyptian Labour laws and under the International Labour Organization (ILO) standards.

Holdipharma and its affiliated are committed to the UN Global Compact's Ten Principles in 2015 and was circulated to the CEO of the 11 affiliated companies to follow.

Holdipharma is committed to develop an organizational culture that adheres to and supports the internationally recognized rights stated in the Universal Declaration of Human Rights and prioritize sustainable and responsible growth to our company.

This dedication to Human Rights is made clear through the ongoing Supplier Code of Conduct and Code of Business Ethics- policies that address all of our partners, suppliers and employees.

Further work to embed human rights into business decision-making processes, including risk review for projects.

Implementation

Holdipharma apply anti-discrimination practices and we are committed to our employees, we are committed to respect human rights in both our workplace and our surrounding community.

We also support Human Rights in our supply chain, including the right to minimum wage and non-discrimination in the workplace and we prohibit the use of forced and child labor.

- **Health and Safety :**

Holdipharma and its affiliated companies provide safe and healthy working facilities and take appropriate precautionary measures to protect workers from work-related hazards and anticipated dangers in the workplace.

The Company implemented hygiene and safety regulations.

The Company offers flexible working arrangements to women who are pregnant or nursing.

The company offers its employees many benefits. There is a medical department, offering free services for employees in the clinic. Family members can receive medical care in centers—i.e., hospitals and clinics—contracted by the company at a very reduced fare.

- **Protective Equipment and Training :**

All workers are trained for all tasks for which they are responsible prior to new assignments. Workers aren't exposed to harmful processes, chemicals, substances or techniques. When exposure is unavoidable, all workers exposed are provided with the necessary protective equipment at no cost. Workers are protected against processes, substances and techniques, which are, unhealthy or harmful.

- **Employee Involvement :**

The company set up a health and safety committee with persons representing both management and workers.

The committee handles complaints regarding health and safety; work with risk prevention, monitor accident statistics and take actions to prevent recurrence.

The risk of accidents is minimized by documenting accidents, adapting processes to prevent recurrence and an effective emergency plan.

The procedures comply with the national and international standards.

- **Hours, Wages and Leaves :**

Holdipharma and its affiliated companies are committed to the International Labour Organization (ILO) working hours.

Overtime is voluntary, Overtime hours are compensated by leave time or pay at a premium rate over and above the normal rate of pay.

Wages are paid on time and enable workers to meet their basic needs.

The Leave: All the companies ensure that all workers are granted paid annual holiday and sick leave.

Maternity rights are granted to females. The three-month paid leave, the one-hour for breastfeeding after delivery, as well as the possibility of the unpaid leave, with a maximum of six (6) years are all offered.

There is a day care center for children in some affiliated companies.

In some affiliated companies E.g: (CID) additional services to women there is a family planning center for follow-up of pregnant woman, being concerned with reproductive health, for the major part. This center offers its services free of charge to employees, and to residents of the district at reduced fee.

The company subsidizes all services, extending from health care, to transportation, to recreational activities in the form of trips and summer resort.

- **Employment Status :**

All workers are entitled to know their employment status with the company and the working conditions.

- **Recruitment and selection of Personnel :**

Advertisements for jobs specify the criteria of employment, with no gender specification.

Any form of discrimination according to sex or religion or any other criterion is forbidden in the company. In line with the principle of equality of opportunity that is applied in the company, and based on government regulations, there is a 5% allocation of jobs for individuals with disabilities.

The procedures describe clearly how personnel will be recruited and selected.

The recruitment procedures and selection processes described in the gender equity policy and adopted in practice promote equal opportunity and antidiscrimination policies.

All candidates for a position are assessed using clearly defined criteria and exposed to similar interview processes to guard against unintentional bias.

- **Three of Holdipharma's affiliated companies :**

Aligned with the international model for women empowerment ,CID (chemical industries development), El Nile pharmaceutical company, El Kahira pharmaceutical company

*Website: www.unwomen.org

CID company and EL Nile Company merited the Egyptian gender equity seal* with high grade. Both companies had already changed existing policies, Mission & Vision and HR related templates to pass the GES audit.

*A Gender Equity Seal is a joint World Bank/UNIFEM initiative which started in Egypt in 2007-2010 where 10 private National Companies submitted letters of interest to volunteer for certification process which ensures equal opportunities for both men and women inside the firm. It focuses on equal opportunities in recruitment, training , career development and providing a safe work environment.

Active participation in international conferences and workshops in the UN Global compact & UN women in Newyork , meetings, organizations seeking to promote business awareness and respect for human rights.

- **Fair Treatment :**

- Non harassment:**

Two of our affiliated Companies who align with the gender equity seal established a system against all types of harassment in the gender equity model and was circulated to the rest of the affiliates through training workshops to follow.

The Companies policies and regulations that exist, describe how to take action in the case that harassment does occur.

The companies' employees are familiar with the policy against all types of harassment and what constitutes inappropriate behavior.

The Companies respond rapidly and act on harassment complaints.

Our ongoing plan is to make training workshops in our training centers for non-harassment awareness to implement and apply in the remaining of the affiliated companies.

- **Employee Privacy :**

When the company needs to gather information about its workers in relation to taxation or insurance, or implements workplace monitoring procedures, it ensures that the measures are legal and for a legitimate purpose. Personal information collected are minimal and kept safe from unauthorized access. Workers are informed of any workplace monitoring and know what personal data is kept on them and they have access to correct this data.

Measurements

We have taken certain measures to adhere to the principles of human rights in both our workplace and our surrounding community.

A mechanism for receiving complaints has been established and specific employees have been appointed to deal with them. This channel has been announced through the company's email, has been dedicated to receiving the complaints and suggestions.

A survey has been developed to measure types of harassments occurring inside the company and results have been analyzed.

A complain Box has been installed for employees to submit their complaints.

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 labor.
- **Principle 5:** The effective abolition of child labor.
- **Principle 6:** Eliminate discrimination in respect of employment and occupation.

Assessment, Policy and Goals

Holdipharma has a clear internal policy and guides to ensure that any form of discrimination according to sex or religion or any other criterion is prohibited. In line with the principle of equality of opportunity that is applied in the company, and based on government regulations, there is a 5% allocation of jobs for individuals with disabilities.

Holdipharma allows Workers to form and/or join worker organizations of their choice. The company allows such organizations and their representatives to function independently without interference and with reasonable access to the information, resources, and facilities necessary to carry out their functions.

Holdipharma prohibits the use of child, forced or involuntary labor, and any form of human trafficking.

Implementation:

❖ INTERNATIONAL INITIATIVES

Gender Equity Seal (EGES) initiative



(Supporting SDG 5)

*A Gender Equity Seal is a joint World Bank/UNIFEM initiative which started in Egypt in 2007-2010 where 10 private National Companies submitted letters of interest to volunteer for certification process which ensures equal opportunities for both men and women inside the firm. It focuses on equal opportunities in recruitment, training, career development and providing a safe work environment.

Three of Holdipharma's affiliated companies: CID (chemical industries development), El Nile pharmaceutical company, El Kahira pharmaceutical company, aligned with the international model for women empowerment (*EGES)

Two of Holdipharma's affiliated companies : CID company and EL Nile Company merited the Egyptian gender equity seal* with high grade. Both companies had already changed existing policies, Mission & Vision and HR related templates to pass the GES audit.

Holdipharma has a clear internal policy and guides to ensure that any form of discrimination according to sex or religion or any other criterion is prohibited. In line with the principle of equality of opportunity that is applied in the company, and based on government regulations, there is a 5% allocation of jobs for individuals with disabilities.

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After launching women's Empowerment Principles (UN Global Compact , UN Women), Chairman of CID Company signed a state of commitment to the 7 principles for women empowerment* and then the CEO Statement* was published and the practical case study of Chemical Industries Development(CID) was published as a one of the companies leading the way .

*Website: weprinciples.org/Site/CeosSpeak/

weprinciples.org/Site/CompaniesLeadingTheWay/

*Website: www.unwomen.org

Active participation in international conferences and workshops in the UN Global compact & UN women in Newyork , meetings, organizations seeking to promote business awareness and respect for human rights.

On 2nd of March 2015 , UN Women Egypt country office and Global Compact Local Network in Egyptian partnership with the Egyptian stock exchange a member of the SSE initiative, rings the bell in Cairo, representing Egypt in these series of global Events.



<http://www.unwomen.org/en/news/stories/2015/3/stock-exchanges-ring-their-opening-bells-for-gender-equality>

Holdipharma's Chairman joined the champion business leaders and key partners to encourage business leaders from around the world sign the CEO statement of support for the women's Empowerment Principle.

Active participation of Holdipharma company with the Egyptian Exchange and the Nilex Sustainability Conference with the Egyptian Ministry of Investment .

EGX was the first stock exchange in the MENA region to introduce the ESG index, and second exchange worldwide in 2010. EGX also is an active member of UN-Sustainability Stock Exchange Initiative (SSE) since 2012, and WFE-sustainability Working Group (SWG), since March 2014. EGX participates effectively in working groups activities, the UN-SSE selected EGX in feb 2015 as a model for communication to stakeholders.

EGX is adopting proactive commercial strategies in response to growing investor in environmental, social and governance (ESG) issues and global sustainable development challenges such as climate change.

Holdipharma's focal point was invited from the UN Women and the Global Compact Network Egypt to join the research of Columbia University in the city of New York to help strategize the better implementation of the Women's Empowerment principles (WEPs) in Egypt .

Holdipharma's focal point participated in the conference of Women and Democratic Transition in Egypt / Alex, at the center for Democracy and Social Peace Studies (CDSPS), Bibliotheca Alexandria. The Egyptian Feminist Union and Peace Women Across the Globe (PWAG) to encourage and disseminate the culture of peace and democracy, and help develop the abilities of young people to create the conditions for sustainable peace and human security. The academic program of the center offers training sessions that focus on culture of peace, democracy , human rights , non-violent conflict resolution and transformation, gender and peace building, human security and negotiation and mediation skills. Website: <http://www.bibalex.org/>

NCW presents Egypt's women empowerment strategy 2030 in Geneva



President Abdel Fatah al-Sisi announced 2017 as the year of Egyptian women, in light of current political leadership acknowledgement of women's role, efforts and status in the Egyptian society.



CAIRO - 20 June 2017: National Council for Women (NCW) Chairwoman Maya Morsi headed Tuesday the 35th session of the United Nations Human Rights Council (UNHRC) held in Geneva. Chairwoman Maya Morsi presented the strategy for empowerment of Egyptian women 2030, which is considered the first strategy for empowerment of women on international level, taking into account goals of sustainable development 2030.



Active participation for Holdipharma's focal Point With IFC & UN Global compact network Egypt in Corporate Governance Program (CGP) and the Women on Boards Seminar,



Ring the Bell
for Gender Equality



To address the impact of gender diversity on the economical and financial performance of companies in the Middle East Women, are key for corporate success, female board members can dramatically improve the fortunes of companies - and the Middle East.

Measurement:

To maintain a gender balanced workplace with women representing:

50% of CEO for holdipharma's affiliated pharmaceutical production companies (8) are females and 43% of head sectors in Holdipharma organization are women

The company takes all necessary measures to ensure that it does not participate in any form of forced or bonded labor.

Sex Disaggregated data implemented to measure the area of weakness concerning the four areas (training, recruitment , career development and women in the board) in our affiliated companies to support.

Holdipharma's focal point was invited from the Global Compact Network Egypt and UN Global Compact's WEPs Team to join the Women Empowerment Consultation Session in Cairo to develop a diagnostic tool to support implementation of the Women's Empowerment Principles (WEPs) and help companies advance gender Equality policies, strategies and programmes.



www.youtube.com/watch?v=QNPcNqc40BY

ENVIRONMENT

Principle 7 Supports a precautionary approach to environmental challenges.

Principle 8 Undertake initiatives to promote greater environmental responsibility.

Principle 9 Encourages the development and diffusion of environmentally friendly technologies.

Assessment, Policy and Goals

Holdipharma and its affiliated companies follow the Governmental environmental laws, and International agreements with the Egyptian Ministry of Environmental Affairs.

Holdipharma company's strategy and policy encourage all the affiliated companies to:

- Apply environment friendly technologies and continuously evaluate their processes and technologies to see if it is possible to change to more environment friendly alternatives as a precautionary approach to the environmental challenges,
- Reduce our impact on climate change ozone layer., Compliance with legislation and local environmental safety systems.,
- Implementation of ISO 14001 requirements or its equivalent in all production sites of the company.

Holdipharma's affiliated companies joined several training courses with the *Environmental compliance office and sustainable development (Federation of Egypt Industries) for building capacity, increasing the awareness of some initiatives, for the safety of the workers, products and environment, energy saving program to improve the sustainability of our companies.

E.g.: Responsible care initiative.

Holdipharma's strategy for sustainability can turn some of the most critical threats into opportunities, by replacing a high risk component with an alternative which does not have a negative environmental impact or using heat from one process to pre-heat inputs of another process can save energy and reduce heat emissions.

*website: www.eco-fei.org

Implementation:

Gas Emission:

Holdipharma and its affiliated companies Started to apply a governmental national policy to measure , monitor and continuously reduce its energy consumption and emission of greenhouse gases e.g. by changing procedures followed or introducing new technologies. The measures taken by the company are in accordance with national regulatory requirements, international conventions and agreements, the precautionary approach and best practice.

(ADCO) One of Holdipharma affiliated companies joined:



(Supporting SDG 13

UNIDO Project with Ministry of Environmental Affairs

Due to the implementation of the Montreal Protocol in Canada, UNIDO does a contract agreement with the Egyptian Ministry of Environmental Affairs(EEAA) and the Arab Drug company for pharmaceuticals Industry (ADCO) under the title " Together towards a better Environment " and so the Arab Drug Company for pharmaceuticals Industry is the unique pharmaceutical company known for producing Metered dose inhalers (MDI's) used in the treatment of bronchial asthma and the respiratory diseases. ADCO used in MDI's production CFC gas was harmful to the environment as it was the reason of the disruption of the Ozone layer.

For these reasons, the Arab Drug Company for pharmaceuticals Industry has been able to get on one of the grants from the UNIDO structured to protect the environment and the ozone layer.

The main goal of the UNIDO grant was to protect the Ozone layer by stopping using CFC gas and substituting it by HFA gas safer and less harmful to the Ozone layer.

The Role of the grant from the UNIDO to ADCO was as the following:

- Provide to ADCO two production lines (preparation and filling)
- Provide to ADCO technology transfer by hiring a team from Cardiff University, England, for the production of four MDI's products.
- The agreement Implementation began in 2010.
- Three products were already produced and marketed in the Egyptian Market and the fourth product was suspected to be produced with beginning of 2017.

Water and Waste water:

Holdipharma and its affiliated companies' policies encourage and support some procedures, projects and initiatives to take the availability of water into consideration and to take measures to reduce water consumption. The company also takes measures to avoid water pollution by preventing and reducing waste water discharges e.g. through increased production efficiencies and replacement of harmful substances. Waste water is treated to minimize the impact on the aquatic environment.

Ongoing Projects:

Two of Holdipharma affiliated companies ADCO & CID joined the Egyptian Pollution Abatement Program (EPAP III) with the Environmental Affairs Agency (EEAA) to protect human health and the environment, Supported financially by European Investment Bank.

Waste Management:

According to the "waste hierarchy", waste should be reduced, reused and recycled as much as possible. All the affiliated companies take measures to ensure that waste is sorted into fractions, e.g. paper, packaging, biodegradable waste. Waste that cannot be reused or recycled should be treated.

Specific types of waste associated with the greatest potential environmental impacts require special attention, including chemical waste and waste electrical and electronic equipment (WEEE).

Air Emissions:

Emission of pollutants to the air can occur from a wide variety of the company's operations and activities including industrial processes, energy production and transport. Typical air pollutants are nitrogen oxides, sulphur dioxide, carbon monoxide, small particles, volatile organic compounds (VOCs) such as benzene and metals such as lead. Emissions of dioxins, and pollutants causing ozone depletion such as HCFCs should also receive attention.

All affiliated companies monitor its emissions and take measures to reduce the amount and number of pollutants to air. The measures taken by all the affiliated companies are in accordance with national regulatory requirements, international conventions, agreements, the precautionary approach and best practice.

See for example: The Ministry of Environmental Affairs projects,

Website: <http://www.eeaa.gov.eg/>

Noise, Odour, Light and Vibrations:

Noise, odor, light and vibrations may be caused by a wide variety of the company's operations and activities, including the establishment of new sites, expansion and closure of sites. Noise and vibrations may be related to the use of machinery inside and outside of the company's buildings and production sites, e.g. from punching machines, diesel generators and heavy vehicles delivering or picking up products or goods. Odours may also be associated with production cycles and waste generation and light might be a nuisance from night work.

The company monitors the level of noise and other nuisances that result from its activities and ensure that measures are in place to prevent, minimize and remedy significant impacts on the surrounding natural environment and neighborhood.

The measures taken by the company are in accordance with national regulatory requirements.

Chemicals and other Dangerous Substances:



(Supporting SDG 9)

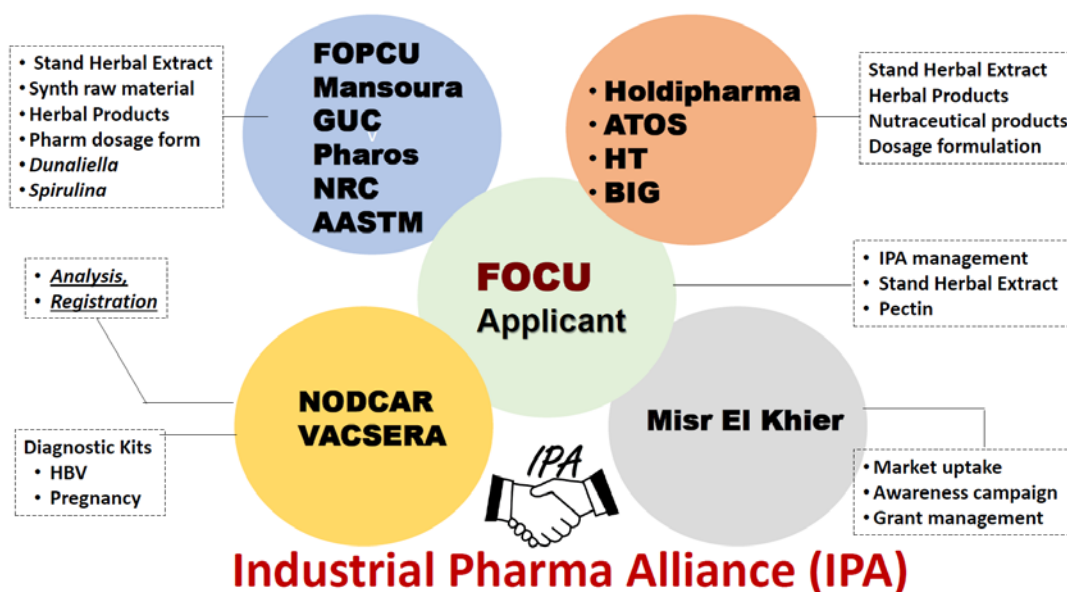
Collaboration between Holdi Pharma and its affiliated companies (El Nasr-Memphis-Alex)with Academy of scientific research and technology.

Holdi Pharma joined with Egypt Knowledge and Technology alliances to bridge the "gap" between research done in academia and its translation into marketable products

EG-KTAs are an assembly of partners working in increasing the innovation capacities of an industrial sector by improving existing products/services or developing new ones. EKTAs aims to pool and network national competences and capabilities at universities, research organizations, NGOs and industry to drive innovation and technology transfer for:

-Deepening local manufacturing

-increasing local production and enhancing technology transfer with special emphasis on feeding industries To promote the development of innovative products and processes.



To protect the environment and human health, the use of many chemicals and other dangerous substances is restricted.

All the affiliated companies ensure that banned chemicals are not used in the company's operations and activities. All the affiliated companies take measures to ensure safe storage, handling and disposal of chemicals and other dangerous substances including oil and fuel. Proper documentation and labeling of chemicals and dangerous substances used and/or stored are applied according to the ISO 140001. Furthermore, all the affiliated companies ensure that it takes all necessary measures to substitute with less harmful chemicals and substances wherever possible.

The measures taken by all the affiliated companies are in accordance with national regulatory requirements, international conventions, agreements, the precautionary approach and best practice. See for example: The Stockholm Convention on Persistent Organic Pollutants (POPs).

Environmentally friendly technology:

Agenda 21 of the Rio Declaration defines environment friendly technologies as technologies that “protect the environment, are less polluting, use all resources in a more sustainable manner, recycle more of their wastes and products, and handle residual wastes in a more acceptable manner than the technologies for which they were substitutes.” They are “not just individual technologies but can also be total systems including know-how, procedures, goods and services and equipment as well as organizational and managerial procedures.”

Environmentally friendly technologies include cleaner production processes and pollution prevention technologies. They can increase operating efficiencies, and reduce emissions, worker exposure and risks of environmental damage.

Keeping Energy Management Systems on Track

Holdipharma's affiliated companies are Building capacity and increasing the awareness through training courses with the environmental compliance office & Ministry of Electricity.

(Supporting SDG 12)



Energy efficiency is central to ongoing efforts to tackle climate change. Improving energy efficiency will not only help to curb the greenhouse gas emissions that lead to global warming but will also improve energy security by reducing demand for fossil fuels.

Enabling organizations to follow a systematic approach in achieving continual improvement of energy performance, including energy efficiency, energy security, energy use and consumption. The standard aims to help organizations to continually reduce their energy use, and therefore their energy costs and their GHG emissions

Holdipharma's affiliated companies With the Ministry of Electricity & Ministry of Environmental Affairs joined the governmental national projects for energy efficiency and energy saving for a better future as:

- it reduces the production costs and increases the competitive capacity of our products in both the local and international markets.
- Helps our company to face the increase in the energy prices.
- Take alternative sources of energy into consideration like solar energy.

Measurements:

All the affiliated companies take measures to ensure safe handling, storage, transport and disposal of wastes e.g. by making personal protection equipment available and including instructions and appropriate training.

The measures taken by the company are in accordance with national regulatory requirements, international conventions, agreements, the precautionary approach and best practice. See for example: The Stockholm Convention on Persistent Organic Pollutants (POPs); where Holdipharma reviewed all the raw materials and the waste products , ensured and committed that all the affiliated companies are complying with the Stockholm agreement with the Egyptian government 2004 and no company used or produced hazardous substances.

ANTI-CORRUPTION

PRINCIPLE 10 Business should work against corruption in all its forms, including extortion and bribery.

Corruption is a considerable obstacle to economic and social development around the world. It has negative impacts on sustainable development and particularly affects poor communities. Holdipharma is committed to the UN Global Compact's Principle 10.

Assessment, Policy and Goals

Holdipharma's affiliated companies were guided to assess the risk of corruption when doing business.

This assessment has a different focus depending on the specific situation and context, and relates to internal structures of the company.

Assessing the supply chain to minimize supply-chain corruption risk through the risk assessment tool provided by the UN Global Compact.

A mechanism for receiving complaints has been established by which workers can safely report suspicion of corruption related cases and allocates resources to systematically address the issues that are identified and specific employees have been appointed to deal with them.

Implementaion:

The company has identified internal functions with the highest risk of corruption within the company and seeks to address these weaknesses.

The company has developed an action plan to address the risk of corruption, and has defined responsibilities for each task, as a minimum for high-risk areas.

Awareness-raising program was held for the long-term success of fighting corruption.

Holdipharma Held a Committee for anti-corruption to follow up any complaints.

Holdipharma provides anti-corruption awareness workshops within the organization for the long-term success of fighting corruption, Monitor and regularly update the programme.

The company informs all workers about its anti-corruption commitment.

This channel has been announced through the complaint Box that has been installed for employees to submit their complaints.

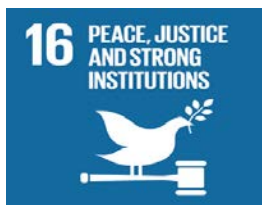
Holdipharma focal point participated with the UN Global Compact in Dubai event 24th to 27th October 2016 at Business for Peace initiative and committed to the Pearl Initiative.

Pearl Initiative



Website: <http://www.pearlinitiative.org/>

(Supporting SDG 16 & 17)



Holdipharma company's internal procedures support its anti-corruption commitment through implementing anti-corruption standards into the core structure of the company relies heavily on the development of suitable procedures which are resistant to corruption and able to raise internal alarms. These alarms are signals regarding occurrences which are investigated at a higher level in the organization.

Holdipharma and its affiliated companies have assigned different individuals and departments to be responsible for handling contracts, placing orders, receiving goods, processing invoices and making payments.

Measurements:

The measures taken by the company are in accordance with national regulatory requirements, international conventions, agreements, the precautionary approach and best practice.

On June 15th **Active participation for Holdipharma's in iftar conference titled “Egyptian Businesses for Peace.” with UNGCNE and UNODC, UNIC and IOM.**

This Iftar Event brought together the private sector and public sector to showcase how through partnerships and collaborative efforts can peace be achieved.

