UN Global Compact

Annual Report no.2

June 2018

ORANA Egypt
International Fruit Production Egypt

UN Global Compact Reporting on Communication on Progress (COP)

0. **Period covered by our Communication on Progress (COP)**
   From 01.10.2016 to 30.09.2017

1. **Statement of Continued Support by the Chief Executive Officer**

   5th June 2018

   To our stakeholders:

   We are pleased to confirm that Orana Egypt / International Fruit Production Egypt 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 this first annual Communication on Progress, we describe our actions 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 with our stakeholders using our primary channels of communication.

   Sincerely yours,

   Ashraf Wagdy
   General Manager

2. **Introduction**

   The Orana Group hereunder Orana Egypt / International Fruit Production Egypt is committed to sustainability in all business activities and aims to apply highest ethical standards in order to ensure the long-term success of the Orana Group and its stakeholders. In support of this goal, the Orana Group implemented a Supplier Code of Conduct in 2007 and since then all Orana Group companies hereunder Orana Egypt have subscribed to the UN Global Compact. Both specify minimum standards expected of Orana and its suppliers and are based on principles for:

   a) Human Rights
   b) Labour
   c) Environment
   d) Anti-Corruption

   In the Orana Group all staff are committed to following these principles. The Orana Group further requires its suppliers to explicitly acknowledge and adhere to the principles embodied in the Code of Conduct to ensure that their own suppliers also will comply with these principles.

3. Human Rights

Description of Actions

All sites ensure that hiring, remuneration, advancement, training and termination decisions are based on objective factors and not connected to gender, age, nationality, ethnicity, race, colour, creed, caste, language or physical disability, or any other discriminating factors. Instead this is determined by skills, qualifications and experience required for the position in question.

All Orana sites do not tolerate workplace harassment, hereunder but not limited to words, signs, offensive jokes, e-mail statements, pranks, intimidation, sexual or physical harassment or violence. Policies are in place to protect all employees.

The Orana Group has implemented health and safety prevention policies which comply with national, international and Orana company rules. These policies are made available to employees in a language, which is understood by the employees.

All Orana sites documents accidents and adjusts its processes to prevent future accidents, if any. At all sites, workers and managers are trained to respond to emergencies and emergency exits are free from obstruction. Fire extinguishers are available. Work environments are maintained and kept clean. All sites have sufficient and suitable ventilation, lighting, availability of potable water, washing facilities and sanitary facilities and suitable eating areas. All employees are provided with protective equipment and training necessary to safely perform the functions of their positions.

Moreover, all sites have implemented rules in regard to hygiene, alcohol and smoking.

Measurement of Outcomes

Employee Turnover is measured for all Orana Group companies. For Orana Egypt / International Fruit Production Egypt, employee turnover in 2016/17 was 17%.

Orana is a harassment and discrimination free organization. In the companies' CSR code the freedom of association and non-discrimination policy are addressed. In cases of harassment, all staff are asked to report to their manager or to their trade union representative.
There are no such kind of harassment or discrimination incidences reported in the period of communication for 2016/17.
Number of accidents and near-accidents are measured. In 2016/17, the number of accidents are recorded and categorized. In 2016/17, there were no accidents during the reporting period

Hygiene audits are being conducted by QC online staff on daily basis as a routine practice. The non-conformities found are related to protective clothing, personal and plant hygiene. All non-conformities are closed with proper corrections, corrective and preventive actions.

In addition to the above, hygiene related issues are addressed in the Internal Audits. The responsible departments will work on the findings to close gaps in agreed time frames.

Orana offers medical insurance for all employees.

4. Labour

Description of Actions

No Orana site will hire any form of forced labour or child labours.

All sites recognize and encourage the freedom of association rights of its employees and ensure that trade unions are able to communicate openly with management regarding working conditions without threat of reprisal, intimidation or harassment.

All sites pay workers according to applicable wage laws, including minimum wages, overtime hours and mandated benefits.

Measurement of Outcomes

Orana Egypt / International Fruit Production do not have a trade union but as per Egyptian standard Orana Egypt / International Fruit Production Egypt has a Complaints and Suggestions Box where all employees can put their complaint or suggestion. The box is located in the Cafeteria for easy access for everyone and for being able to provide complaints and suggestions anonymously. HR will open this box at the end of every month to collect all the letters after which the management team will review these complaints and suggestions.

All Orana Egypt / International Fruit Production's wages are as a minimum consistent with Egyptian Labor Law no. 12/2003 and prevailing industry standards. Holiday, sick leave and maternity leave are provided in consistency with Egyptian Labor Law no. 12/2003. Working hours are also consistent with Egyptian Labor Law no. 12/2003, and prevailing industry standards. Overtime is voluntary and as per Egyptian Labor Law no. 12/2003.

5. Environment

Description of Actions

All sites shall comply with all applicable environmental regulations.

All sites shall have recently implemented measuring of carbon foot print with the aim of reducing carbon foot print per ton produced per site. Moreover a system for the safe handling, recycling and management of waste and wastewater discharges has been implemented.

Measurement of Outcomes

Orana Egypt / International Fruit Production has ensured that all required environmental permits and licenses are in place and that their reporting requirements are followed.

Orana Egypt has initiated measuring of carbon foot print per ton produced in April Quarter 2017. The intention is once the measuring is implemented to initiate initiatives to ensure a reduction in carbon foot print per ton produced.

6. Anti-Corruption

Description of Actions

The Orana Group has a zero tolerance on corruption. All corruption, extortion and embezzlement are prohibited. Employees are not allowed to pay or accept bribes in business or government relationships. All Orana sites shall conduct their business consistent with fair competition and in compliance with anti-trust laws.

The Orana Group's relationships with suppliers are based entirely on sound business decisions and fair dealing. Employees are not allowed to accept any gifts or entertainment. Employees are not allowed to accept or give kickbacks when obtaining or awarding contracts.

Measurement of Outcomes

All staff at Orana Egypt / International Fruit Production are instructed not to pay corruption or bribery in order to unjustly influence public officials or suppliers. When deemed necessary, Orana Egypt / International Fruit Production encourages employees to go to government officials / other relevant meetings two persons at a time in order to discourage corruption and bribery.

Additionally, the Orana Group is in the process of establishing a whistleblower function on corruption across the entire Orana Group.