



The Egyptian Ethylene & Derivatives Co.

ETHYDCO Sustainability Report 2018

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Contents

- 1- CEO Message
- 2- ETHYDCO Profile
- 3- ETHYDCO stakeholders structure
- 4- ETHYDCO Vision, Mission & Values
- 5- ETHYDCO Strategic Objectives.
- 6- ETHYDCO Integrated Policy
- 7- ETHYDCO Code of Ethics
- 8- Integrated Management System
- 9- Sustainability
- 10- Corporate Social Responsibility
- 11- ETHYDCO Governance
- 12- UNGC Principles





CEO: Chemist / Abdel Mageed Hegazy

"It's a great pleasure and pride presenting the capabilities of our company, highlighting our achievements and sharing our vision for the future."

As a national petrochemical company, **ETHYDCO** has persisted in its pursuit of excellence in all aspects of its operations. Its heavy projects' investments is, no doubt, a testimony to its fulfillment of its aspirations to be a well-recognized player in the global market in order to support the national objectives of economic and social prosperity in the region.

We are applying the best business practices prevalent in the industry, focusing on the development of human resources and harnessing the power of modern technology and techniques to achieve market leadership and sustainability.

Success alone has never been **ETHYDCO's** ambition. Sharing success with its partners, customers, suppliers, workforce and local communities is a key element of the Company's identity. To ensure a promising future for itself and all stakeholders, **ETHYDCO** will continue to execute its original Vision & Values with a combination of business growth, social responsibility and environmental excellence



ETHYDCO Profile

The Egyptian Ethylene & Derivatives Company (ETHYDCO) is an Egyptian joint Stock company, Established on January 16, 2011 under Egyptian investment law with total investment cost of US \$ 1.9 Billion.



ETHYDCO's

petrochemicals complex is the largest in Egypt & Africa, Implemented with the latest state of art technology to be a leading provider of advanced and high quality products (Linear low & High Density Polyethylene, Polybutadiene.

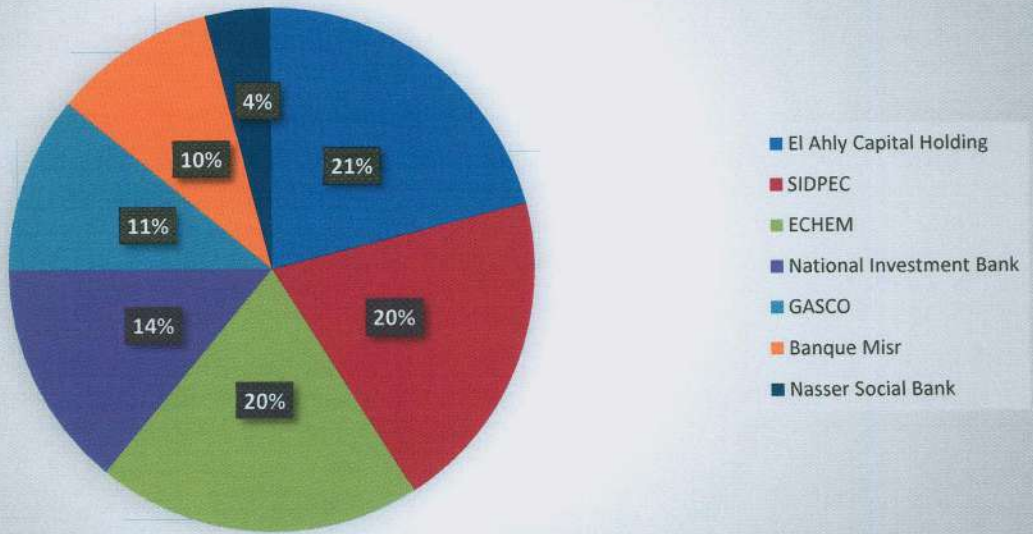
Production Plants

1- Ethylene & Butadiene Plant	Ethylene Capacity : 460 KTA Licensor: Lummus - USA EPC Contractor : Toyo – Japan	Butadiene Capacity : 20 KTA Licensor: Lummus - USA EPC Contractor:Toyo – Japan
2- Polyethylene Plant	Capacity: 400 KTA (2x200 KTA) Licensor : Univation – USA EPC Contractor: Toyo - Japan	
3- Butadiene Derivatives Plant	Capacity : 36 KTA Licensor : Versalis – Italy	
4- Utility Plant	EPC Contractor : ENPPI – Egypt	

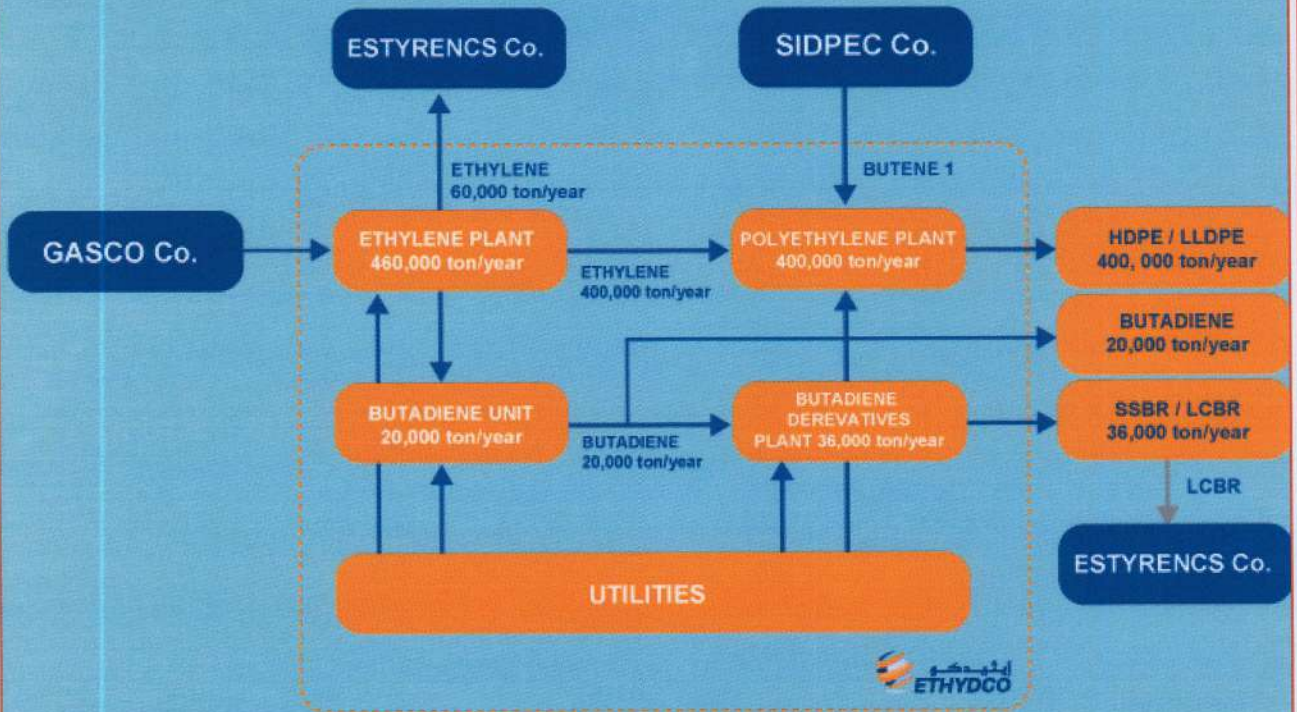


ETHYDCO Shareholder Structure

Shareholder Structure



Integration with Sister Companies



ETHYDCO

Vision, Mission & Values

Vision:

To be the most preferred supplier of Polyethylene, Butadiene and its Derivatives locally and globally.

Mission:

Value creation through customer orientation, sustainability and optimum utilization of resources.

Values:



Creativity:



Dedication

We encourage and support new ideas leading to innovation.

We are dedicated to satisfying our customers and striving to exceed their expectations.



Integrity



Respectfulness

We act ethically and responsibly with integrity.

We respect every one, encourage contribution and growth.



ETHYDCO Strategic Objectives

Maximize the profitability by cost optimization and increasing assets Utilization in a sustainable manner through:

- Enhance Business Integrity.
- Maximizing Value from feedstock and technology.
- Improve customer satisfaction.
- Achieving the function Excellence criteria for core department.
- Developing technical capabilities and leadership competency.
- Safeguarding Health, Safety and the Environment by meeting highest standards.
- Total Compliance to statutory and regulatory requirements.



ETHYDCO Integrated Policy:



ETHYDCO as an international value creating plastics and rubber products company; is fully committed to carry out all its activities with high quality in sustainable manner by pursuing continuous improvement in all aspects of the company activities to achieve and maintain satisfaction for customers, shareholders and all interested parties.

ETHYDCO as a responsible organization has a fully integrated approach to all applicable management systems, which fit and enhance the company's various activities in all its business processes through active involvement, commitment and accountability of all

employees and contractors.

As part of commitment to customer focus, continuous improvement and compliance with regulatory, statutory requirements and other requirements, **ETHYDCO** is committed to:

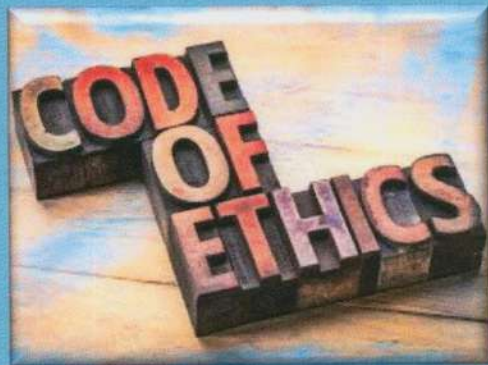
- Conduct business with high quality in a manner that; protect the environment, prevent pollution, maintains healthy safe work environment, prevent injury and ill health, saves energy, secures information and prevents all types of losses through the best utilization of resources.
- Appoint well-qualified personnel and train them continuously to ensure their capability to carry out the work with quality focus that aligns with the company management systems and achieves its objectives.
- Managing financial, environmental and social risks, obligations, opportunities and their influences on profits, people and planet, supporting any design for conservation of energy, supporting the purchase of energy-efficient products and services and promoting green economy to ensure sustainability.
- Ensuring the availability of information and of necessary resources for interested parties to achieve integrated energy management system objectives and targets.

Policy and objectives should be regularly reviewed to ensure ongoing suitability and ensure that they are adequate to customers, shareholders and all interested parties.



ETHYDCO Code of Ethics:

IN recognition of our position as a global company committed to be a responsible member of the community and in contribution to the achievement of a strong community, we will adhere to the following principles while performing work activities in accordance with the company believes with respect to loyalty and creativity:



- **Applying fair management strategies in accordance with accountability and transparency standards and by adopting and applying ethical and human rights standards while respecting the concerned interested parties and the rule of laws and international norms.**
- Contribute to global development and international understanding, through the implementation of the activities in a manner that respects the cultures and customs of other countries.
- **Work to prevent corruption in all its forms, including extortion and bribery, Facilitating the inspection and auditing activities and decisions affecting the community, environment and economy.**
- Safeguard and secure the information, as well as the protection of any personal or confidential information provided to us from our customers, employees and business partners.
- Commitment of fair and free competition in full compliance with the laws and regulations as we are committed to deal in a fair manner with our business partners.
- **Respect human rights and do not engage in any racist or human rights violations in any of our business activities.**
- Seek to set up a sound working conditions, respect the rights of all employees, as we seek to maintain a safe and comfortable working environment and working to improve it.
- Seek to encourage a climate which values the individual differences of our employees so that they can fully display their skills and abilities working hard on the development of human resources effectively.



Integrated Management System

ETHYDCO , obtained the following international certificates :



ISO 9001:2015 Official Certificate

Quality Management System

OHSAS 18001:2015 Official Certificate

Health & Safety Management System





ISO 14001:2015 Official Certificate

Environmental Management System

ISO 50001:2011 Official Certificate


Energy Management System



ISO 26000:2010

This Standard is the basis for the **Social Responsibility** elements of the Company's IMS. The adoption of ISO 26000 provides guidance on how businesses and organizations can operate in a socially responsible way. This means acting in an ethical and transparent way that contributes to the health and welfare of the society. **ETHYDCO** succeed to get letter of compliance with the requirements of ISO 26000:2010 in December 2018

KASCERT



Certificate

EGYPTIAN ETHYLENE AND DERIVATIVES CO. ETHYDCO

KM 36 ALEXANDRIA / CAIRO DESERT ROAD, EL-AMREYA – EL-NAHDA TERRITORY – ALEXANDRIA, EGYPT

has been assessed by KAS Certification and confirmed to comply with the requirements of

ISO 26000:2010

Social Responsibility


standard for following scope:

PRODUCTION, SALES & EXPORT OF POLY ETHYLENE, ETHYLENE & ITS DERIVATIVES


Date of issue	: 10.12.2018
Date of validity	: 09.12.2019
Certificate No	: EG1238

If annual surveillance audit result is successful, certificate validity is extended for 1 year.

Authorized




Executive Manager
31.12.2018



In order to renew the certification, recertification audit shall be successfully completed by 09.12.2021, before 3 years of certification cycle is expired.

info@kascert.com www.kascert.com



Sustainability

ETHYDCO's sustainability approach collaborates business goals with our economic, social and environmental capabilities by having a glance on the future and on the expected challenges, ETHYDCO will continue erecting an organization that sustains its growth and assures the improvement of its people. To reinforce our support of the surrounding community, we seek to confirm that our social responsibility is emphasizing positively to the shareholders' requirements matched with our competencies and calibers.

This collaboration is the driving growth for our operations, our customers and our people. This is essential to our success



We consider Sustainability is the fundamental of our business practices and represents a vital aspect in accomplishing development and success, assure consistence with developing market criteria and desires

Corporate Social Responsibility

Because we believe we can do it different and are certain that our dedication to the process will have a positive and consistent impact on the local community. we believe that being a responsible organization means being a responsive member of the many communities in which we operate that's why ETHYDCO keen a lot to participate in serving our local community especially the surrounding area.



ETHYDCO shared in raising the level of the medical service provided to the people of Amreya by signing a protocol of cooperation with the General Hospital of Amreya, where the central intensive care unit was furnished and equipped.



ETHYDCO Serving university students in the field of scientific research. Purchasing electronic microscope accessories (digital camera - refrigeration unit - spare parts.. etc) for Faculty of Science, Alexandria University.



ETHYDCO upgrade the road efficiency of Elnahda with the desert road at 36 km in cooperation with sister companies, that's to facilitate traffic, transportation and reducing accidents to serve the surrounding community.



ETHYDCO deliver clean drinking water to (4) villages from surrounding areas, in cooperation with sister companies, which has a positive impact on Amreya Resident and serve the community .



ETHYDCO Replaced the number of 25,000 lamps to LED lamps to save energy in all surrounded homes, mosque, church, schools, youth center for 6 villages from surrounding areas in cooperation with sister companies

That change in electricity consumption gives a positive effect in energy conservation.



ETHYDCO Governance

ETHYDCO put a framework of rules (Regulations) & practices to ensure accountability, fairness, and transparency in all the company's relationship with its stakeholders.

ETHYDCO Governance framework consists of:-

- Explicit and implicit policies between the company and the stakeholders for distribution of responsibilities, rights, and rewards.
- Policy for reconciling the sometimes-conflicting interests of stakeholders in accordance with their duties, privileges and roles.
- Procedures for proper supervision, control and information-flows to serve the company interests.



UNGC Principles

Human Rights

- **Principle1** Business should support and respect the protection of internationally proclaimed human rights .
- **Principle2** make sure that they are not complicit in human rights abuse .

ETHYDCO does not support or participate in any kind of acts violating the human Rights. All ETHYDCO employees shall be well treated, fairly appraised and compensated, No form of force is conducted to employees, there is no undertaking written by the employees for employment discrimination, as there are contracts with them, every employee shall be qualified and have health care insurance.

ETHYDCO provides healthy and safe working conditions

Most of human Rights issues are fully considered and fully respected at ETHYDCO No employee is subjected to harassment, physical or mental punishment or any other form of abuse.

We are committed to respect human Rights in both our workplace and our surrounding area.

ETHYDCO's internal regulations are free from any penalties to apply for the employee while expressing their opinions.

ETHYDCO tracking the Declaration on the Elimination of all forms of Intolerance and of Discrimination based on Religion or Belief (25 November 1981) and the convention on the Rights of Persons with Disabilities (13 December 2006) .

LABOUR

- **Principle 3:** Business 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 .
- **Principle 6:** The elimination of discrimination in respect of employment and occupation.

All ETHYDCO's employees are free to discuss with their will as hiring and firing are based on Egyptian labor Law.

No Child is hired and minimum age for hiring is 18 years old.

Equal opportunities are given to everyone when hiring for a new position or a vacant one, the only thing that counts are the qualifications that are required by and for the job itself .

ETHYDCO tracking the declaration on the Elimination of Violence against woman (20 December 1993) and the convention on the Elimination of all Forms of Discrimination against woman: Optional Protocol (6 October 1999).

ENVIRONMENT

- **Principle 7:** Business should support a precautionary approach to environmental challenges .
- **Principle 8:** Undertake initiatives to promote greater environmental responsibility .
- **Principle 9:** Encourage the development and diffusion of environmentally friendly technologies .

ETHYDCO tracking the Environmental perspective to the year 2000 and beyond (11 December 1987).

ETHYDCO attended the community participation session to assess the environmental impact of the project.

ETHYDCO provides the latest technology regarding the industrial wastewater treatment and reuse it, which will save enormous quantity of water consumption making ETHYDCO the first company in the Middle East to apply this developed, (Zero Liquid discharge).

ETHYDCO's policy is consistent with the Egyptian environmental law in order to maintain the public health, accordingly, the company controls the quality of the air emissions and the wastewater, Moreover the company has a plan to manage the wastes and the dangerous emissions.

Anti-corruption

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

Conduct and ethics are commitments adhered to all ETHYDCO's employees as we maintain honest and open relationships based on mutual trust.

ETHYDCO tracking the United Nations Declaration against Corruption and bribery in International commercial Transactions (16 December 1996) and also, the United Nations Convention against Corruption (31 October 2003).

Other Principles:-

- 58.5 % of the employees less than 30 years old and 23.6% aged from 30 to 40 Moreover the suggestion of joining the UNGC have been inspired by a group of employees less than 30 years old and the participation is done through them.

