

# EDITA

Communication on Progress  
Report May 2020



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# EDITA at a Glance

**EDITA is a leading Egyptian producer of packaged snack foods with a holistic approach to business. The company strives to not only deliver quality products but also serve as a reputable employer and value creator in the Egyptian economy.**

Established in 1996, Edita is a frontrunner in the Egyptian and regional snack foods market, responsible for producing a variety of treats including household names such as Molto, TODO, Bake Rolz, Bake Stix, Mimix, HoHos, Twinkies, Tiger Tail, and Freska. The company's customer base consists of over 57,000 direct and wholesale retail customers, and it exports to more than 17 markets in the MENA region. In 2018, Edita produced over 127 SKUs across its five segments, consisting of nine brands. The company maintained its leading market share in its core segments of cakes and candy while growing its leading share in its core croissant segment. At the same time, Edita continued to grow its market share in the fast-growing rusks and wafer segments. As 2019 progresses, the company is growing its shares across all segments. As of the end of 2019, Edita employs over 6,000 people and has established a reputation within Egypt for nurturing the professional development and wellbeing of employees at every level of the company. Our snacks are produced across five state-of-the-art facilities housing 30 production lines, all of which adhere to international standards for health and safety. Edita also boasts a nationwide distribution network in Egypt. During the year, Edita grew in terms of market share and increased the value it adds to the lives of our customers, employees, and Egyptian society, We are building a strong foundation to ensure that our business operations have a positive impact on all of our stakeholders as well as the environment and that our impact will grow sustainably for years to come.



**2.6<sup>BN</sup>**

packs sold in  
FY2018

**17+**

export destinations  
across MENA

**3.8<sup>EGP</sup>  
BN**

revenue across MENA  
in FY2018

**9**

brands and 127  
SKUs

**6k**

employees

**5**

ISO certified  
manufacturing  
facilities

# Commitment Letter from our CEO

**Dear Shareholders,**

I am incredibly pleased to welcome Edita's shareholders and our other partners to our 3rd COP report. As an organization, Edita aims to prioritize customers' needs and wants at every opportunity. As a snack food company, the primary way we do this is by producing delicious snacks and introducing innovative products to satisfy all their cravings – be they sweet or savory. Our ability to continually fulfill this commitment to our customers is the secret to our successful transformation over the past 23 years, which has taken us from a small, family-owned company to Egypt's leading producer of packaged snack foods.

I am proud that this is Edita's third Communication on progress to the United Nations Global Compact (UNGC), as Edita has been a signatory to the Ten principles of the UNGC since 2017.

For this our business and non-business acts are mapped against these 10 principles in the areas of Human Rights, Labor, and Environment and Anti-Corruption to help us move towards a more sustainable entity. In conclusion, we hereby reconfirm our commitment to the 10 Principles of the United Nations Global Compact and we also commit to share all the available information with our stakeholders using all our primary channels of communication.

Thank you

**H. Berzi**  
Chairman and Managing Director



# EDITA Implementing The Ten Global Compact Principles

## Human Rights Principles

**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

## Labor Principles

**Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

**Principle 4:** The elimination of all forms of forced and compulsory labor

**Principle 5:** The effective abolition of child labor

**Principle 6:** The elimination of discrimination in respect of employment and occupation

## Environmental Principles

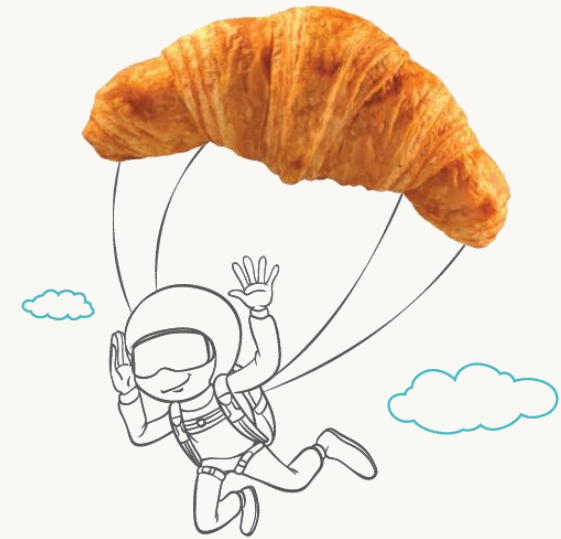
**Principle 7:** Businesses should support a precautionary approach to environmental challenges

**Principle 8:** Undertake initiatives to promote greater environmental responsibility

**Principle 9:** Encourage the development and diffusion of environmentally friendly technologies

## Anti - Corruption Principles

**Principle 10:** Businesses should work against all forms of corruption, including extortion and bribery





# HUMAN RIGHTS PRINCIPLES

Edita's success in becoming a leader in the Egyptian snack foods market is due to the tireless pursuit of its mission and vision by all of its talented employees.

## Core Values



**Trust** We believe in mutual trust. We trust in our people, our biggest asset, and believe in their contribution to the growth of our organization, and they in turn trust in our company to develop and nurture their potential to achieve their career goals.



**Responsibility** Responsibility towards our stakeholders and community as well as commitment to quality are pivotal to our strategy and operations.



**Innovation** Innovation is what defines and leads us as a company.



**Teamwork** Teamwork is core. We believe that the power of "we" is key to achieve our goals.



### Vision

Setting the benchmark of snacking with our high quality, innovative products



### MISSION

Together, spreading joy through trusted brands.



# Our people

Edita places a high value on the strong, trust based relationships it has built with its employees over the years. The company continues to cultivate these relationships by regularly communicating with all of its employees through a variety of formal and informal channels.

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## Employees

Edita communicates regularly with its employees through a variety of internal channels, some of these major announcements are shared by:

- Formal Emails.
- Newsletter.
- Signs on bulletin boards and department meetings.
- Periodically sent CEO messages.
- Important job-related information and safety awareness information is conveyed through onboarding initiatives for new employees.
- Regular training sessions.

Edita also fosters a sense of community through a variety of professional development trainings and fun, team-building activities designed to start conversations within and across departments.



# HUMAN RIGHTS PRINCIPLES

## Whistleblowing

In a strong move against wrongdoers and across all its facilities and offices, Edita has launched secure, anonymous whistleblowing channels through which employees and stakeholders can share concerns on misconducts against Edita's policies and procedures as well as against any corruption acts without fear of retribution. The channels can also be used to report any violations of governmental laws, regulations, requirements, and other severe misconducts. All concerns received through whistleblowing channels are investigated so that the appropriate measures are effectively taken.



قول رأيك على  
موقع الاقتراحات والشكاوي الرسمي

**iVOICEUP**



[www.ivoiceup.com/edita](http://www.ivoiceup.com/edita)

**SPEAK OUT  
YOUR VOICE  
MATTERS!**

اتكلم  
صوتك  
مهم!



يمكنك الان الإبلاغ عن أي مخالفات لسياسات الشركة أو الأفعال الغير قانونية أو السلوك الغير أخلاقي أو حالات الاحتيال المشتبه فيها أو الفساد أو أي مخاوف تتعلق بصحة وسلامة العاملين بالشركة

You can now report any violations of the Company's policies, illegal acts, unethical behavior, suspected fraud, corruption or any concern regarding the health and safety of employees.

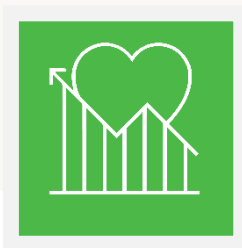


# HUMAN RIGHTS PRINCIPLES

## Organizational Climate Survey 2019

Edita launched the organizational climate survey towards the end of 2019 , with this extremely helpful tool, it provides valuable insight into how employees feel about the organization and how they view themselves within its scope. It addresses seven primary points which are loyalty and commitment, communication and collaboration, performance and compensation, leadership, work-life balance, learning and career progression, and strategic orientation.

## Climate survey DIMENSIONS



LOYALTY  
& COMMITMENT



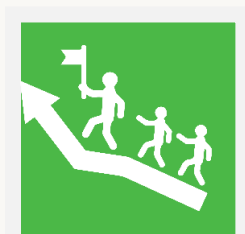
COMMUNICATION  
& COLLABORATION



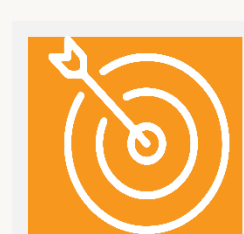
PERFORMANCE &  
COMPENSATION



LEADERSHIP



WORK  
& LIFE BALANCE



STRATEGIC ORIENTATION



LEARNING  
& CAREER PROGRESSION

# Climate survey Focus Groups

Focus groups were held to discuss and review the results of the past climate survey results and brain storm action steps and strategies for future strategic plans.

4 Focus Groups done

7-10 Nominees attended from all sectors

12-16 per focus group



# LABOR PRINCIPLES

## Employee Development

Edita's people are its most valuable asset, and the company strives to acknowledge this by offering a safe and rewarding employee experience. Treating employees well, recognizing their crucial role in achievements and contributing to their continuous development stems from a desire to promote fair labor standards across Egypt. Edita endeavors to serve as a role model, encouraging companies to value their employees – especially blue-collar workers – by offering fair compensation, and value-adding experiences. In this way, we are playing our part in raising the bar for employment standards across Egypt, and we reinforce our reputation as “an employer of choice”.

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### Learning and Development

Edita supports its employees' professional growth by regularly providing a variety of trainings and learning opportunities. Team members acquire new skills and as a result, perform their roles with greater efficiency, as well as increase their overall qualifications.





# LABOR PRINCIPLES

## EDITA Trivia (Competencies Engagement Campaign)

Learning has never been more fun, a new initiative is a game called “C-TRIVA – EDITA’S VERSION” which is a new innovative corporate game designed to get employees more acquainted with company’s new competencies with a slogan campaign “LET’S HAVE FUN & LEARN OUR COMPETENCIES WHILE PLAYING”.

### Striving for Excellence



### Customer Centricity



### Business Acumen



### Leading Change



### Coaching & Developing People



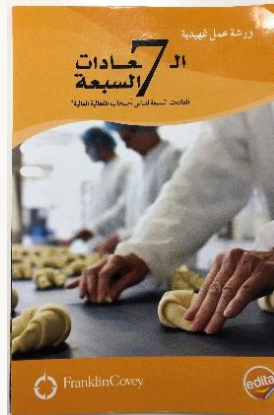
### Diversity & Inclusion



# LABOR PRINCIPLES

## Edita Manufacturing Academy - The 7 Habits Of Highly Effective People

- ❑ In cooperation with Franklin Covey Egypt, we have been the first company in Egypt to deliver The 7 Habits of Highly Effective People – Industrial Version to the workers in the plants so as to create a new culture that is based on the 7 habits of highly effective people
  
- ❑ In 2019, We continue to expand the workshops for our blue - collar workers representing around 25% of plants, to conclude:
  - Total # No. of employees trained: 1,682 workers
  - Total #. No. of training days: 3,364 training days





# LABOR PRINCIPLES

## Edita Sales Academy – Sales Training Workshop

- ❑ In 2019, We continued our plan to invest in our sales team to grow their capacity and offered a 3 day training workshop , based on Training need analysis done in 2018.
- ❑ The workshop worked on the skills they need to interact effectively.
- ❑ Total #. No. of Employees Trained: 35
- ❑ Total #. No. Training Days: 140 Training Days.





# LABOR PRINCIPLES

## Edita – Certified Internal Trainers



As we continue to invest in our employees' development and delivery, providing them with opportunities for growth and expanding their skills, We were able to provide TOT to potential company staff to roll out the development programs across all teams in company and plants.

## LET'S CONGRATULATE OUR INTERNAL TRAINERS!

We would like to thank all our internal trainers who applied for different training certifications in 2019.

**Our trainers got certified to deliver "Sales Training Workshop" for the Sales academy from Beacon Training.**

 Tarek El Ghazouly Organized Trade Manager Zayed Branch	 Remon Asaad Regional Sales Manager Ismailia Branch	 Osama Zayed Regional Sales Manager Alexandria Branch	 Mohamed Zoheir Regional Sales Manager Luxor Branch
 Eid Sayed Sr. Area Sales Manager Warrak Branch	 Malak Boshra Regional Sales Manager Sohag Branch	 Mohamed El Hagrassy Sr. Area Sales Manager Ismailia Branch	 Osama Nathan Sr. Area Sales Manager Warrak Branch

**Our trainers got certified to deliver "The 7 Habits of Highly Effective People" program industrial version for the Manufacturing Academy from Franklin Covey Egypt. They are delivering the workshop to all blue collars across all plants.**

 Khaled Hamdi HR Business Partner E06	 Ahmed Hesham MRP Senior Specialist E01 ZAYED	 Mina Talaat Quality Control Specialist E07
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Nasser Doweib  
Maintenance Supervisor  
E07 Plant

**He participated as an industry expert with the Ministry of Education in cooperation with TVET Egypt, the project of developing educational programs to update curriculums and train teachers on this new syllabus to enhance the market readiness of students.**



# LABOR PRINCIPLES

## Sales Branches Breakfast Campaign

We wanted to say THANK YOU in our unique way to our Sales Teams in our 21 Branches, And so we have set off in a campaign touring allover our branches inviting our people for early breakfast at the start of the day, where Giveaways were also handed out (Branded Water Bottles)



فطار مع ربالتنا  
يكن لنا





# LABOR PRINCIPLES

## Labor's Day Celebrations

On Labor's Day, we celebrate the efforts of our blue-collar workers and their continuous dedication towards Edita, We were happy to cover all of our 5 Plants, for 6000 workers targeted.





# LABOR PRINCIPLES

## Editaweya CHAMPIONSHIP LEAGUE

Holding Championship League for our employees, is also one of many employee engagements initiatives in Edita, where each sector formed a team & gave themselves a creative out of the box name, and Every Thursday, employees gathered to compete against each other, Only one Team has been announced a Winner by the end of the competition.

Many of the Games that were played included:





# ENVIRONMENTAL PRINCIPLES

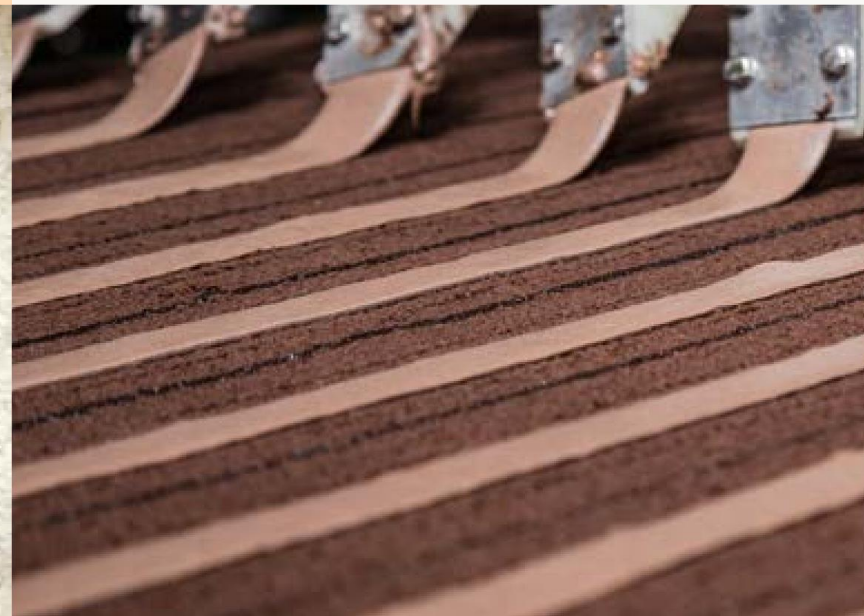
Edita recognizes that to truly serve its customers and support Egypt's economic growth, the company must structure its business in a way that reduces its ecological footprint and actively promotes environmental preservation.

On the most basic level, The company's Safety, Health, and Environmental (SHE) policies and newly implemented Edita Risk and Environmental Management System (eREMS) help it to ensure all operations and procedures minimize environmental risk and include safe disposal of waste. Edita has also taken steps to promote green behavior and reduce waste production and energy consumption across its offices and facilities. 2019 saw the company develop an ambitious four-year plan to reduce resource consumption across its facilities.



## Green Policies and Operating Standards

- ❑ Edita views its ISO 14001 certification and SHE policies, not as a final achievement in its efforts to promote occupational safety and health and environmental sustainability, but as a basis on which to continually review and improve its impact.
- ❑ Edita also set out to receive top available international certifications in health and safety, all of the company's production facilities have received the Occupational Health and Safety Management System certification (OSAS 18001) and the Quality Management System certification (ISO 9001), proving adherence to international standards for health and safety and paving the road for a safer, more employee conscious work environment.





# ENVIRONMENTAL PRINCIPLES

## Taking Steps to reduce Environmental impact

In 2019 Edita successfully certified all of its production facilities with ISO 14001 related to environmental management system, achieving set targets and reducing waste impact by:

- ❑ Developing the waste water treatment station for E15 facility has been budgeted and in search of installation offers from suppliers.
- ❑ Continue addressing all environmental risk in Corrective and Preventive action sheet and following up with the concerned departments till all risks are resolved.
- ❑ Successfully managed to achieve all targets for decreasing consumptions in water by 3.79% and minimizing electricity by 0.53%.

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## Forward-Looking Resource Conservative Strategy

In 2019, Edita launched its new four-year environmental management plan focused on improving energy efficiency and exploring renewable energy solutions to reduce the company's carbon footprint. Edita will partner with a third-party consultancy to conduct energy audits in all of its plants and put in place resource conservation plans.





# ANTI - CORRUPTION PRINCIPLES

Edita believes that businesses should actively guard against and fight all forms of corruption, including extortion, bribery, and other forms of unethical conduct. Honesty and transparency in operations are central to Edita's success, and its efforts to strengthen Egypt's private sector.

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## Information Security and Data Protection

Edita's Information Security Department established evaluates the competence of the company's current cyber security measures and recommends additional controls to tighten security and protect information assets from inappropriate disclosure. Many of 2019 accomplishments are of the following:

- Implementation of an IPS (Intrusion Prevention System) in order to detect and stop sophisticated network attacks and to provide advanced threat protection for known and unknown vulnerabilities.
- Rolling out the encryption project for all desktops and laptops in order to provide assurance for protecting Edita's proprietary and confidential data in case of theft.
- the DLP (Data Loss Prevention) servers and clients have been upgraded to the latest version in order to enhance detection accuracy and speed; moreover, an external assessment has been performed on the DLP policies in order to apply the best practices for the policies and to enhance and fix potential misconfigurations in the current system.

Additionally, the department collaborates with the Information Security Committee, composed of members from every area of the company to identify and classify information records according to confidentiality and set the appropriate controls to guard it. Together, the department and committee monitor Edita's data loss prevention system to protect data in-use, in-transit, or at-rest, detect any breaches, and act immediately to prevent any unauthorized traffic and identify corrective and preventive actions.



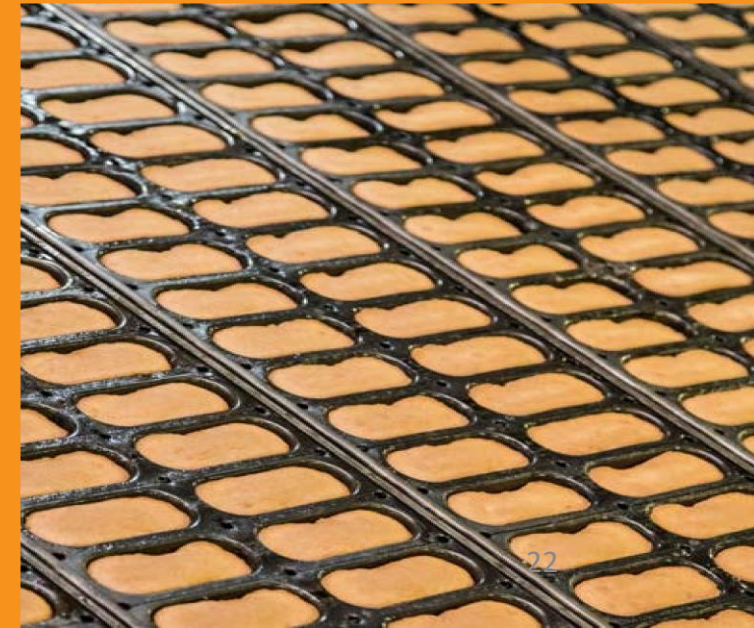
# ANTI - CORRUPTION PRINCIPLES



## Recipe Protection

In a related vein, Edita is executed its Keystone Project aimed at enhancing the confidentiality of its operations and protecting its recipes and know-how. This project encompasses building a centralized plant where all recipes will be premixed before they are supplied to production plants. Upon completion, the Keystone Project will ensure greater efficiency and consistency of Edita's operations by eliminating any variability of materials and ingredients added in the production process.

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# Towards A Sustainable Future

## EDITA CONTRIBUTION TO THE SOCIETY

### “Reporting on the SDGs”

#### “Building Pioneers”

Edita is from and to the communities where it operates, which is why it is adamant on advancing individuals and providing them with skills and education necessary to further their knowledge, self-dependency and collective sustainability. In 2019, and in partnership with Educate Me Foundation, Edita continued implementing the “Building Pioneers” program, in Beni Suf Governorate whose two-pronged framework looks to develop underprivileged schools – thereby improving access to education – and strengthen students through delivering 3-day camp for children, that aims at providing and equipping children with 21<sup>st</sup> century skills, trainings and cultural visits and enhancing values system including inclusiveness and respect.

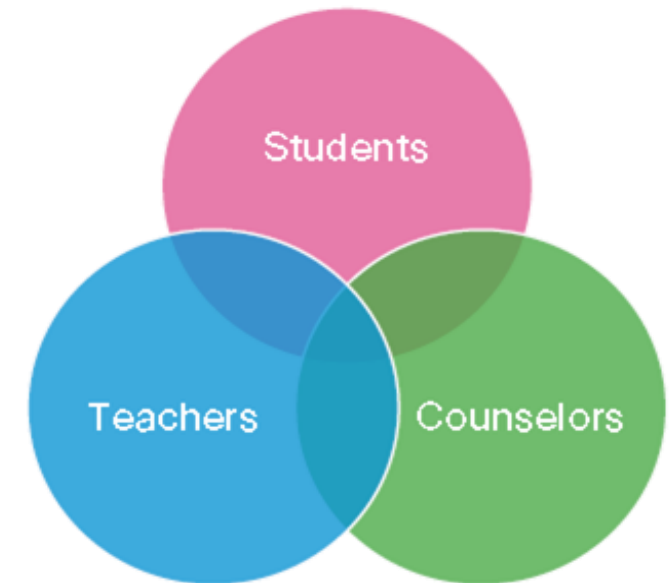
By the end of 2019, Four new schools were entered into the program successfully where the impact has been awesome on both qualitative and quantitative levels :

- ❑ Total number of students: 1,350 students
- ❑ Total Number of Camps: 10 camps / 3 days each
- ❑ Total number of training days: 4,050
- ❑ Total number of Mothers: 580 mothers.



### “Our philosophy”

We target the children as center of our attention , which should also include the parents and educators, being the main care takers surrounding the children.









# Towards A Sustainable Future

## EDITA CONTRIBUTION TO THE SOCIETY

### “Reporting on the SDGs”

### “School Transformation Journey”

Also In 2019, new program “School Transformation Journey” framework was adopted, targeting the development of total 40 staff members including Educators, Administrators and the professional development, this program operates through three years of successive interventions where strives to focus on the cognitive and psychological skills and direct individuals toward continuous self-learning by providing the necessary soft skills, Field and remote activities, direct and indirect interventions to transform the school from dependence into independence for the development of its staff through 2022.

In order to enable change, We believe we ought to tackle the students full circle of influence and by the end of 2019, We managed to train total of:

- ❑ Total #. No of Teachers & Counselors: 27
- ❑ Total #. No of School Administration and Leadership Team: 10
- ❑ Total #. No of Training days: 280 days











# Towards A Sustainable Future

## EDITA CONTRIBUTION TO THE SOCIETY

### “Reporting on the SDGs”



### “57357 Hospital Visit”

On June 2<sup>nd</sup>, 2019 We were more than happy to pay a visit to 57357 hospital to play with the hospital’s children and make them feel a part of our family, by bringing them our sweet products, gifts and let them know that they’re SUPERHEROS.

In addition to making a small Contribution of about 50,000 EGP to help fund the hospital with the required medical equipment and building a new Daycare area under the name of Edita employees.





# Towards A Sustainable Future

## EDITA CONTRIBUTION TO THE SOCIETY

### “Reporting on the SDGs”



### “57357 Hospital Marathon”

We were thrilled to take part and participate as main sponsor for the event of 57357 Hospital Marathon under the slogan of “ RUN For 53753”, where the purpose was to raise funds for the development of the new building that will be able to expand the occupation of outpatient clinics for the children.

❑ Total #. No of Employees participated : 42 Employees





Edita Food Industries S.A.E