

**COMMUNICATION ON PROGRESS (COP)
BASIC TEMPLATE**

Period covered by your Communication on Progress (COP)

From: 15/3/2021 To: 14/3/2022

**1. STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER (OWNER OR
PRESIDENT IN THE CASE OF SMALL BUSINESSES)**

[15/3/2021]

To our stakeholders:

I am pleased to confirm that [Egypro FME] reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption.

In this 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,

Dr. Mina Fayek

Deputy G.M | Commercial Head



1. DESCRIPTION OF ACTIONS

Human Rights

Please use the box below to describe actions your company has taken in the area of human rights. Examples include:

- Fair wages and remuneration without distinction for work of equal value, including women being guaranteed equal pay and conditions for equal work. Fair remuneration is that which is sufficient for a decent living for the worker and their family.
- Safe and healthy working conditions ensured by laws and policies aimed at minimizing, as far as reasonably possible, occupational and health hazards in the working environment, including mechanisms for appropriate investigation of workplace accidents. Safe and healthy working conditions specifically assure freedom from violence and harassment, including sexual harassment and discrimination within the workplace (eg on the basis of pregnancy, disability etc).
- Equal opportunity for promotion to an appropriate higher level, subject only to considerations of seniority and competence; and
- Rest, leisure and reasonable limitation of working hours, including periodic holidays with pay as well as remuneration for public holidays.

Labour

Please use the box below to describe actions your company has taken in the area of labour. Examples include:

- select a suitable subcontractor – ensuring they have sufficient skills and knowledge to do the job safely and without risks to safety and health;
- assess the risks of the work – the level of risk will depend on the nature of the job. Whatever the risk, the employer will need to consider the safety and health implications;
- do a risk assessment – both the business and the contractor should be aware of its findings. The employer should already have a risk assessment for the work activities of their own business. The contractor must assess the risks for the contracted work. Then both should get together to consider any risks from each other's work that could affect the safety and health of the workforce or anyone else;
- provide information, instruction and training to their own workers. Employers should also provide any information to contractors on the risks from their activities and the controls they have in place. It may also be beneficial for employers to consider, with the contractor, what instruction and training contractors will need;
- set up liaison arrangements for co-operation and co-ordination with all those responsible to ensure the safety and health of everyone in the workplace;
- decide what they need to do to manage and supervise the work of contractors and agree the nature of the controls before work starts.



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Environment

Please use the box below to describe actions your company has taken in the area of environment. Examples include:

Reduce Paper Waste

- Businesses have made great strides in recent years toward going paperless. However, most offices still have a distance to go. If you still rely on paper-based processes, you may scare off millennials who prefer everything to be done electronically. Encourage staff not to print email and draft documents, offering the ability to send documents to personal devices if that makes electronic review easier.
- In addition to setting up collaboration tools, do an inventory of your business operations and update any outdated processes. If you still have a fax machine, for instance, you can switch to a fax-to-email solution that will both cut back on paper use and make sharing and storing faxed documents easier for everyone involved.

Switch to LED Lightbulbs

- If you've shopped for lightbulbs recently, you've probably noticed how complicated the choices have become. Although the federal government mandated all lightbulbs become more energy efficient, some are better at that job than others. You can conserve energy — cutting your utility bills and protecting the environment — by switching every bulb in your building.
- If you still use incandescent bulbs, you can save 70 to 90 percent by switching to LED. If you're renting your space, ask your property manager if you can make the change if they aren't willing to dedicate their own maintenance workers to do it for you.

Allow Telecommuting

- Telecommuting will help your business attract millennials on multiple levels. Younger professionals have stated a clear preference for flexible work arrangements, including being allowed to work from home at least part of the time.
- Revising your HR practices to allow telecommuting also has environmental benefits. You'll be able to reduce the energy used in your office spaces each day, saving money and cutting your business's carbon footprint. And you'll reduce commuter traffic, even if by only a few employees.
- As a complement to telecommuting, offer a system to facilitate carpooling by your team.

Improve Air Quality with Indoor Plants

- Few businesses fill their office spaces with plants, but they can dramatically improve the aesthetics. Sure, employees can bring in their own plants, but since open-plan offices have become more prevalent, workers now can see beyond their own desks.
- In addition to making your office more eye pleasing, indoor plants can improve the general air quality. While all plants can help clean the air, you should also consider plants that have the additional benefit of removing contaminants. Peace lilies, rubber plants, and snake plants are three that can help with that.

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Power Off Computers

If you think leaving appliances plugged in doesn't make a difference, you may be missing a great opportunity to save money and conserve energy. The issue has been so well studied that it goes by multiple names. Vampire power, standby power, and electricity leaking are just three of them.

One way to reduce this unnecessary energy use is to make it mandatory for your employees to power down their computers before they leave the office. Identify any electronics in your workspaces that stay on overnight in standby mode, including printers and copiers, and assign someone to shut off those items at night.



Anti-Corruption

1. What does our policy cover?

- This anti-bribery policy exists to set out the responsibilities of Egypro FME and those who work for us in regards to observing and upholding our zero-tolerance position on bribery and corruption.
- It also exists to act as a source of information and guidance for those working for Egypro FME. It helps them recognize and deal with bribery and corruption issues, as well as understand their responsibilities.

2. Policy statement

- Egypro FME is committed to conducting business in an ethical and honest manner, and is committed to implementing and enforcing systems that ensure bribery is prevented. Egypro FME has zero-tolerance for bribery and corrupt activities. We are committed to acting professionally, fairly, and with integrity in all business dealings and relationships, wherever in the country we operate.
- Egypro FME will constantly uphold all laws relating to anti-bribery and corruption in all the jurisdictions in which we operate. We are bound by the laws of the UK, including the Bribery Act 2010, in regards to our conduct both at home and abroad.
- Egypro FME recognizes that bribery and corruption are punishable by up to ten years of imprisonment and a fine. If our company is discovered to have taken part in corrupt activities, we may be subjected to an unlimited fine, be excluded from tendering for public contracts, and face serious damage to our reputation. It is with this in mind that we commit to preventing bribery and corruption in our business, and take our legal responsibilities seriously.

3. Who is covered by the policy?

- This anti-bribery policy applies to all employees (whether temporary, fixed-term, or permanent), consultants, contractors, trainees, seconded staff, home workers, casual workers, agency staff, volunteers, interns, agents, sponsors, or any other person or persons associated with us (including third parties), or any of our subsidiaries or their employees, no matter where they are located (within or outside of the UK). The policy also applies to Officers, Trustees, Board, and/or Committee members at any level.
- In the context of this policy, third-party refers to any individual or organization our company meets and works with. It refers to actual and potential clients, customers, suppliers,

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distributors, business contacts, agents, advisers, and government and public bodies - this includes their advisors, representatives and officials, politicians, and public parties.

- Any arrangements our company makes with a third party is subject to clear contractual terms, including specific provisions that require the third party to comply with minimum

4. Definition of bribery

- Bribery refers to the act of offering, giving, promising, asking, agreeing, receiving, accepting, or soliciting something of value or of an advantage so to induce or influence an action or decision.
- A bribe refers to any inducement, reward, or object/item of value offered to another individual in order to gain commercial, contractual, regulatory, or personal advantage.
- Bribery is not limited to the act of offering a bribe. If an individual is on the receiving end of a bribe and they accept it, they are also breaking the law.
- Bribery is illegal. Employees must not engage in any form of bribery, whether it be directly, passively (as described above), or through a third party (such as an agent or distributor). They must not bribe a foreign public official anywhere in the world. They must not accept bribes in any degree and if they are uncertain about whether something is a bribe or a gift or act of hospitality, they must seek further advice from the company's compliance manager.

5. What is and what is NOT acceptable

- This section of the policy refers to 4 areas:

- Gifts and hospitality.
- Facilitation payments.
- Political contributions.
- Charitable contributions.

- **Gifts and hospitality**

Egypro FME accepts normal and appropriate gestures of hospitality and goodwill (whether given to/received from third parties) so long as the giving or receiving of gifts meets the following requirements:

- a. It is not made with the intention of influencing the party to whom it is being given, to obtain or reward the retention of a business or a business advantage, or as an explicit or implicit exchange for favors or benefits.
- b. It is not made with the suggestion that a return favor is expected.
- c. It is in compliance with local law.
- d. It is given in the name of the company, not in an individual's name.
- e. It does not include cash or a cash equivalent (e.g. a voucher or gift certificate).
- f. It is appropriate for the circumstances (e.g. giving small gifts around Christmas)

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- or as a small thank you to a company for helping with a large project upon completion).
- g.** It is of an appropriate type and value and given at an appropriate time, taking into account the reason for the gift.
- h.** It is given/received openly, not secretly.
- i.** It is not selectively given to a key, influential person, clearly with the intention of directly influencing them.
- j.** It is not above a certain excessive value, as pre-determined by the company's compliance manager (usually in excess of £100).
- k.** It is not offer to, or accepted from, a government official or representative or politician or political party, without the prior approval of the company's compliance manager.

- Where it is inappropriate to decline the offer of a gift (i.e. when meeting with an individual of a certain religion/culture who may take offence), the gift may be accepted so long as it is declared to the compliance manager, who will assess the circumstances.
- Egypro FME recognizes that the practice of giving and receiving business gifts varies between countries, regions, cultures, and religions, so definitions of what is acceptable and not acceptable will inevitably differ for each.
- Egypro FME good practice, gifts given and received should always be disclosed to the compliance manager. Gifts from suppliers should always be disclosed.
- The intention behind a gift being given/received should always be considered. If there is any uncertainty, the advice of the compliance manager should be sought.

● **Facilitation Payments and Kickbacks**

- Egypro FME does not accept and will not make any form of facilitation payments of any nature. We recognize that facilitation payments are a form of bribery that involves expediting or facilitating the performance of a public official for a routine governmental action. We recognize that they tend to be made by low level officials with the intention of securing or speeding up the performance of a certain duty or action.
- Egypro FME does not allow kickbacks to be made or accepted. We recognize that kickbacks are typically made in exchange for a business favor or advantage.
- Egypro FME recognizes that, despite our strict policy on facilitation payments and kickbacks, employees may face a situation where avoiding a facilitation payment or kickback may put their/their family's personal security at risk. Under these circumstances, the following steps must be taken:

- Keep any amount to the minimum.
- Ask for a receipt, detailing the amount and reason for the payment.
- Create a record concerning the payment.
- Report this incident to your line manager.

- **Political Contributions**

- Egypro FME will not make donations, whether in cash, kind, or by any other means, to support any political parties or candidates. We recognize this may be perceived as an attempt to gain an improper business advantage.

- **Charitable Contributions**

- Egypro FME accepts (and indeed encourages) the act of donating to charities
- whether through services, knowledge, time, or direct financial contributions (cash or otherwise) - and agrees to disclose all charitable contributions it makes.
- Employees must be careful to ensure that charitable contributions are not used to facilitate and conceal acts of bribery.
- We will ensure that all charitable donations made are legal and ethical under local laws and practices, and that donations are not offered/made without the approval of the compliance manager.

- **Employee Responsibilities**

- As an employee of Egypro FME, you must ensure that you read, understand, and comply with the information contained within this policy, and with any training or other anti-bribery and corruption information you are given.
- All employees and those under our control are equally responsible for the prevention, detection, and reporting of bribery and other forms of corruption. They are required to avoid any activities that could lead to, or imply, a breach of this anti-bribery policy.
- If you have reason to believe or suspect that an instance of bribery or corruption has occurred or will occur in the future that breaches this policy, you must notify the compliance manager.
- If any employee breaches this policy, they will face disciplinary action and could face dismissal for gross misconduct. [A Managing Director has the right to terminate a contractual relationship with an employee if they breach this anti-bribery policy.

- **What happens if I need to raise a concern?**

This section of the policy covers 3 areas:

- How to raise a concern.
- What to do if you are a victim of bribery or corruption.
- Protection.

- **How to raise a concern**

- If you suspect that there is an instance of bribery or corrupt activities occurring in relation to Egypro FME you are encouraged to raise your concerns at as early a stage as possible. If you're uncertain about whether a certain action or behavior can be considered bribery or corruption' you should speak to your line manager' the compliance manager' the director' or the Head of Governance and Legal.

- Egypro FME will familiarize all employees with its whistleblowing procedures so employees can vocalize their concerns swiftly and confidentially.

- **What to do if you are a victim of bribery or corruption**

- You must tell your compliance manager as soon as possible if you are offered a bribe by anyone' if you are asked to make one' if you suspect that you may be bribed or asked to make a bribe in the near future' or if you have reason to believe that you are a victim of another corrupt activity.

- **Protection**

If you refuse to accept or offer a bribe or you report a concern relating to potential act(s) of bribery or corruption, Egypro FME understands that you may feel worried about potential repercussions. Egypro FME will support anyone who raises concerns in good faith under this policy' even if investigation finds that they were mistaken.

Egypro FME will ensure that no one suffers any detrimental treatment as a result of refusing to accept or offer a bribe or other corrupt activities or because they reported a concern relating to potential act(s) of bribery or corruption.

Detrimental treatment refers to dismissal' disciplinary action' treats' or unfavorable treatment in relation to the concern the individual raised.

If you have reason to believe you've been subjected to unjust treatment as a result of a concern or refusal to accept a bribe' you should inform your line manager or the compliance manager immediately.

• Training and communication

Egypro FME Will provide training on this policy as part of the induction process for all new employees. Employees will also receive regular' relevant training on how to adhere to this policy' and will be asked annually to formally accept that they will comply with this policy.

Egypro FME 's anti-bribery and corruption policy and zero-tolerance attitude will be clearly communicated to all suppliers' contractors' business partners' and any third-

parties at the outset of business relations, and as appropriate thereafter.

Egypro FME will provide relevant anti-bribery and corruption training to employees etc. where we feel their knowledge of how to comply with the Bribery Act needs to be enhanced. As good practice, all businesses should provide their employees with antibribery training where there is a potential risk of facing bribery or corruption during work activities.

• Record keeping

Egypro FME will keep detailed and accurate financial records, and will have appropriate internal controls in place to act as evidence for all payments made. We will declare and keep a written record of the amount and reason for hospitality or gifts accepted and given, and understand that gifts and acts of hospitality are subject to managerial review.

• Monitoring and reviewing

- Egypro FME compliance manager is responsible for monitoring the effectiveness of this policy and will review the implementation of it on a regular basis. They will assess its suitability, adequacy, and effectiveness.
- Internal control systems and procedures designed to prevent bribery and corruption are subject to regular audits to ensure that they are effective in practice.
- Any need for improvements will be applied as soon as possible. Employees are encouraged to offer their feedback on this policy if they have any suggestions for how it may be improved. Feedback of this nature should be addressed to the compliance manager.

- This policy does not form part of an employee's contract of employment and Egypro FME may

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amend it at any time so to improve its effectiveness at

- combatting bribery and corruption.

MEASUREMENT OF OUTCOMES

How Is Performance Measured?

The constant changes in the market conditions mean that it's essential to constantly track and review your business goals and performance to remain competitive.

SET GOALS

What are our attempts to achieve? our goals might be acquiring new customers, improving customer satisfaction and generating high volumes of traffic to your website.

Here are examples of business goals:

- Lead generation
- Increasing sales
- Better customer service
- Increasing profit margin
- Increasing production efficiency
- Capturing bigger market share

From the goals, establish critical success factors. The CSFs refer to specific conditions the key activities that a business should focus on to be successful.

DEVELOP KEY PERFORMANCE INDICATORS

The KPIs are standard ratios that provide insight about your business performance. Examples include revenue generated per employee or financial statements. These performance indicators help you measure performance against the goals we've identified.

Setting the KPIs will vary between businesses. It is important to choose KPIs that mean something to your business, that can be measured and provide outcomes to achieve your goals.

DEFINE SUITABLE METRICS

Business metrics are quantifiable measures that track and assess the status of a specific business process. Depending on your business and your goals, you may want to focus on certain metrics. These include marketing metrics, sales metrics, accounting and financial metrics and online metrics.

These metrics keep business owners, employees, investors and customers informed and aware of how a company is performing.

TRACK AND MEASURE

Narrow down on the information that you think is crucial to track. Choose a few major business goals, develop related KPIs and focus on tracking and collecting relevant data.

How Do we Obtain KPIs?

Business performance measurement is about finding the right KPIs and putting them to use to improve organizational or business performance.

1. A clear one-page strategy acts as a starting point for defining your objectives and designing appropriate KPIs
2. Identify the questions you need the answer to. By linking your KPIs to your strategy, you can sharpen your focus and make the relevant KPIs more obvious
3. You need to outline your data requirements to establish what metrics or data you need in order to answer those questions
4. Once you know what information you need to collect, you need to find the right measurement methodology to get it
5. You need to assign ownership of the KPIs for interpreting its meaning, monitoring how it's changing and deciding what that means for the business.
6. Communicate your KPIs so they're understood by employees, investors and other business stakeholders
7. Review the KPIs periodically to make better business decisions and gain competitive advantage

What Does a KPI Measure?

Businesses set KPIs to measure their success at reaching targets. They demonstrate how effectively a business is achieving its key objectives. They can span across industries, departments or individual tasks.

Once you've set your KPIs, you can set appropriate goals, develop strategies to reach them and evaluate your progress, and eventually have a historical record of your business performance. Businesses measure both financial and non-financial KPIs.

MEASURING YOUR FINANCIAL PERFORMANCE

Reviewing your financial performance can help you check your business goals and plan effectively for improving the business.

When conducting a financial review of your business, you might want to consider assessing your business cash flow, working capital, cost base and growth. Other key financial ratios are efficiency ratios, sales growth, liquidity ratios and financial leverage.

MEASURING PROFITABILITY

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The target for most businesses is an increase in profits. The key metrics to assess profitability are:

- Operating margin
- Gross profit margin
- Net profit margin
- Return on capital

MEASURING CUSTOMER LOYALTY AND RETENTION

The more you know about what your customers need, the easier it'll be to handle increased numbers of customers. To capture customer feedback, you can use sales data, complaint forms, questionnaires and social media.

Collecting feedback from customers helps to identify where improvements can be made to your products or services.

EMPLOYEE PERFORMANCE MEASUREMENT

Evaluating the performance of employees from a financial perspective can be a very valuable management tool. The most commonly-used metrics to assess employee performance are sales per employee, contribution per employee and profit per employee.

BENCHMARKING

Benchmarking is a useful way of comparing yourself to businesses in the same sector. It's important to note that your end goals and market position will affect the specific comparisons you want to make.

COMPETITOR ANALYSIS

The competitor information that is useful to your business depends on the type of business and the market you're operating in. The key questions to ask are who your competitors are, what they offer, how they price their products and services, what are their competitive advantages.

It is useful to do a SWOT (strengths, weaknesses, opportunities and threats) to find out more about what your competitors are saying about themselves and what others are saying about them.

Having a process in place to regularly monitor and measure business performance can help business owners identify best practices and create strategies to foster business growth.