

ORANA



UN Global Compact Annual Report for **Orana Egypt**

June 2021

ORANA Egypt

UN Global Compact Reporting on Communication on Progress (COP)

0. Period covered by our Communication on Progress (COP)

From 01.10.2019 to 30.09.2020

1. Statement of Continued Support by the Chief Executive Officer

1st July 2021

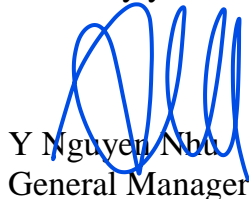
To our stakeholders:

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 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.

During the financial year 2020/21, we will continue to intensify our work on CSR, Sustainability and SDGs for Orana Egypt / International Fruit Production Egypt.

Sincerely yours,



Y. Nguyen Nhu
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 / International Fruit Production 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 Orana sites do not use forced labour or child labour. All sites further 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, mental 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 employees are provided with safe, suitable and sanitary work facilities and are protected against processes, substances and techniques which are unhealthy, toxic and harmful.

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.

Finally, Orana Egypt / International Fruit Production offer yearly health check for all operation related staff.

Measurement of Outcomes

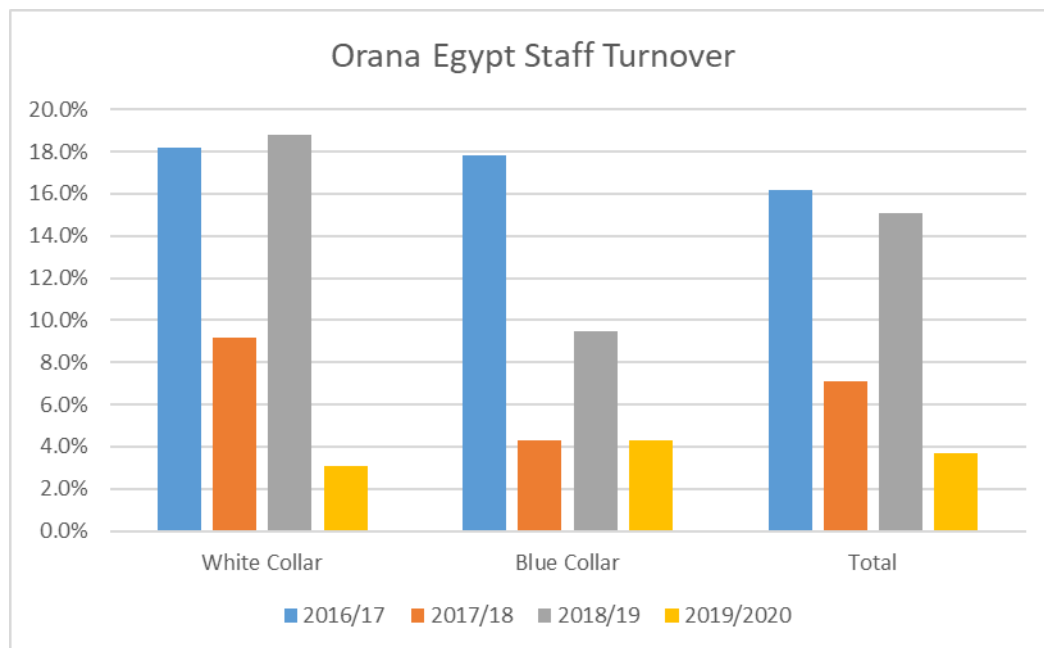
Orana is a harassment and discrimination free organization. In the companies CSR code, the freedom of association and non-discrimination policy are addressed. In cases of harassment, all staff are asked to report to their manager or to their trade union representative. There are no kind of harassment or discrimination incidences reported in the period of communication of 2019/20.

Staff turnover is measured for all Orana Group companies. For Orana Egypt / International Fruit Production Egypt, employee turnover is split into White Collar and Blue Collar. See below table and graph:

Table 1: Staff Turnover

	2016/17	2017/18	2018/19	2019/2020
White Collar	18.2%	9.2%	18.8%	3.1%
Blue Collar	17.8%	4.3%	9.5%	4.7%
Total	16.2%	7.1%	15.1%	3.7%

Graph 1: Staff Turnover. Total



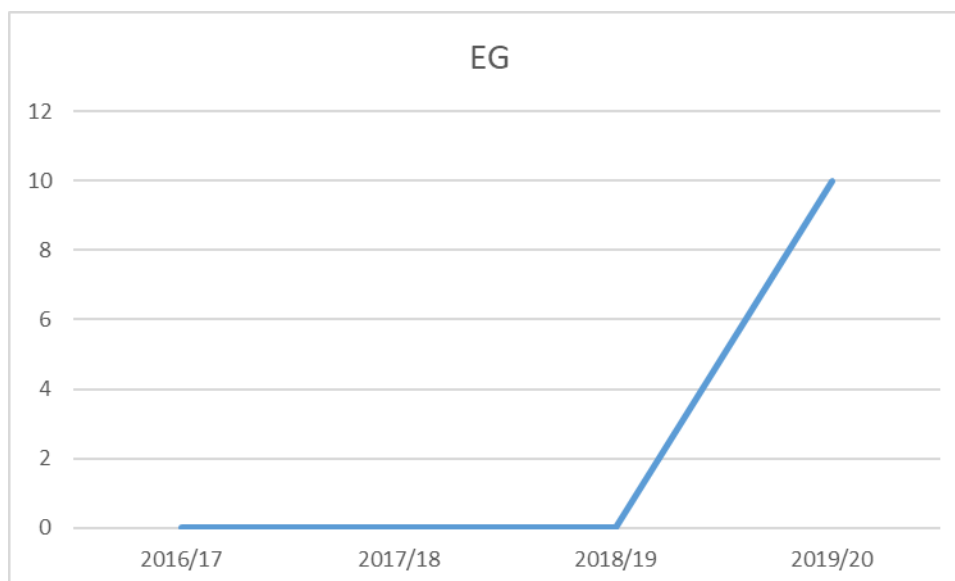
During this year 2019/20 compared with the previous period, staff turnover has reduced for both blue and white collar staff. This is due to achieving a stability in the company due to both matching market salary and employee benefits especially in terms of Covid-19 where we have been working to preserve the health of staff through continuous Covid-19 tests, the presence of disinfectants, masks, and also the provision of safe transportation for each individual in order to avoid dealing with public transportation.

Orana Egypt/ International Fruit Production is following the market salary and are using wages above the minimum wages decided as per Egyptian Law.

We also offer other benefits such as: Transportation, foods, medical and covering Covid-19 and life insurance, apartment for blue collar employee. Besides that, we have implemented bonus agreement on improvement with more benefits from KPI as well as room/chance for promotion to meet their career development. And there is opportunity for career and personal growth through training and education, challenging assignments and more responsibility.

Number of accidents are measured. We had 10 accidents per 100,000 hours during the year 2019/20.

Graph 2: Accidents per 100,000 hours



A lot of effort has been put in to making precautions in order to reduce the risk of future accidents as the followings:

Safety rules and procedures in place, emergency response system/plan, fire drills, ensure equipment/tools are in proper conditions and training of employees.

We are applying 5S project to keep the area safe and tidy and applying PPE concept. We have our fire system. Finally, we conduct risk assessment internally.

During this period, we have passed two inspections from the government authorities, Halal and The National Food Safety Agency of Egypt (NFSA). Also we had one customer audit in June 2020. The audits were focused on food safety including hygiene.

GMP/ hygiene audits are also being conducted by QC online staff on a daily basis as a routine practice. Any finding is reported and discussed in the daily meeting for corrective actions in need timely. Moreover, we have GMP tour every 2 weeks conducted by Quality Assurance Department and other relating departments.

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

Health checks. Orana Egypt / International Fruit Production Egypt offer annual health check for all staff. All staff have medical insurance offer and we have a weekly doctor visit from medical insurance company

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 Egypt 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 opening 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's wages are as a minimum consistent with Egyptian Law no. 12/2003 and prevailing industry standards. Holiday, sick leave and maternity leave are provided in consistency with Egyptian Law No. 12/2003. Working hours are also consistent with

Egyptian Law no. 12/2003 and prevailing industry standards. Overtime is voluntary and as per Egyptian Labour Law no. 12/2003.

5. Environment

Description of Actions

All sites shall comply with all applicable environmental regulations.

A system for the safe handling, recycling and management of solid waste has been implemented at Orana Egypt / International Fruit Production Egypt. The waste water is discharged as per the regulations.

Measurement of Outcomes

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

Orana Egypt / International Fruit Production Egypt has set up a new calculator of carbon foot print measuring per ton produced for Scope 1 and Scope 2 and started measuring in October Quarter 2018. Scope 1 emissions are direct emissions from owned or controlled sources. Scope 2 emissions are indirect emissions from the generation of purchased energy. Scope 3 emissions are emissions from sources not owned or controlled by the company. It is under Scope 3 where the Orana Group is making a difference by having decentralized productions. By establishing carbon foot print measuring for Scope 1 and Scope 2, we started the process on assessing our impact in all areas and will be able to establish initiatives to address opportunities for improvement.

The result for 2019/20 can be seen here:

Graph 3: Carbon Foot Print. tCO₂/ton

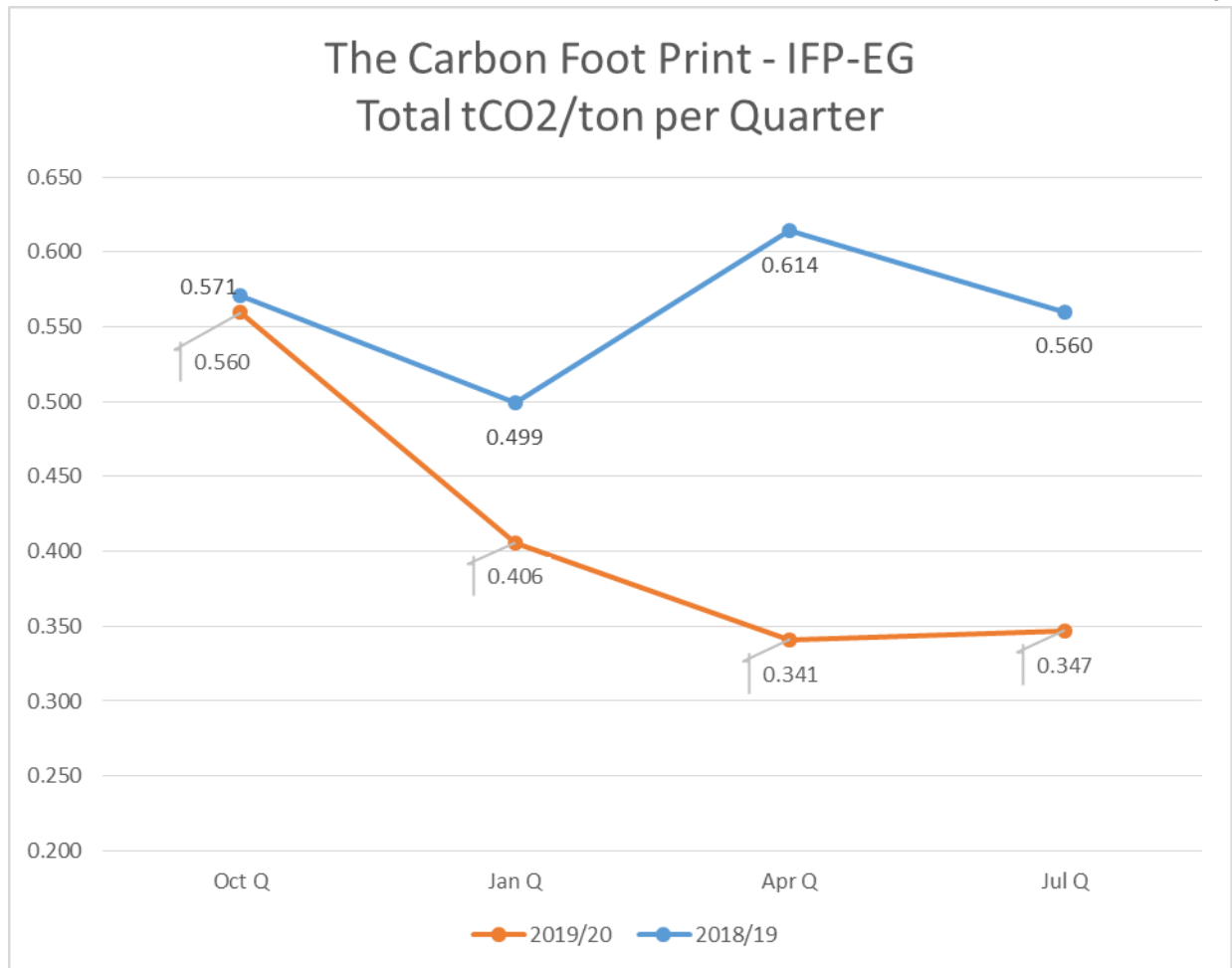


Table 2: Energy Consumption

Energy Consumptions	EG							
	2016-17	2017-18	2018-19	2019-20	Delta LY	Delta % LY	Delta from Base Year	Delta % from Base Year
Electricity kWh/ton	1,081	953	866	604	262	30.3%	477	44.1%
Gas / Diesel in mJ / ton	1,824	1,255	1,299	866	433	33.3%	958	52.5%
Water m3 /ton	18.9	12	12.1	8.4	3.7	30.6%	11	55.6%
Waste water m3 / ton	NA	NA	NA	NA	NA	NA	NA	NA

Achievements:

- 1. Electricity:** Saving of 44.1% compared to base year 2016/17
 - We changed to automatic moisture proof light in Warehouse.
 - We changed few lights in office to LED
- 2. Diesel:** Saving of 52.5% compared to base year 2016/17
 - We changed the steam strap for the cooker which gives better recovery for steam condensate
 - Insulated the condensate line so that boiler feed water temperature increases and reduction in diesel consumption.
 - Switch off of boiler as soon as production is over and CIP (Cleaning In Place) doing with line pressure of boiler.
- 3. Water:** Saving of 55.6% compared to base year 2016-17
 - Maintenance at water station like Softener Gear Box and Back wash timing adjust for ACF (Activated Carbon Filter) and sand filter.
 - Improved production planning to reduce the consumption for water.

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 Egypt 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 has initiated a whistleblower function on corruption in Vietnam that is currently being tested before it will be rolled out across the entire Orana Group.
