



SIDI KERIR PETROCHEMICALS CO.

SIDPEC

2017

ANNUAL REPORT

# Sustainability Report

*Today's Experience Tomorrow's Perfection*



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# CEO Message



*Eng. Mohamed Abady*

*Chairman & CEO*

I am pleased through my word to welcome you to the fourth annual sustainability report.

We believe that sustainable development has become the most important title in recent decades because of its relevance to the challenges faced by humanity. These challenges need more visions and ideas to confront them. SIDPEC always strive to enhance its developmental role, improve the quality of its services and optimize economic utilization of all resources in line with the vision of Egypt 2030, considering principles of UN Global Compact in the development of strategic plans, decisions taking and business practices in order to meet the basic responsibilities regarding human rights, labors, environment and anti-corruption.

**"Sustainability is an essential part of our strategy, we are constantly looking for new ways to establish more sustainability in our work."**

From this point of view, our strategic plan develops the right foundations for launching to formulate long-term visions for current and future mission by describing prioritized strategic directions, and compare them to the key performance indicators.

Sustainable development is not only the economic and social solutions that address the present, but also looking forward to the future. Therefore, this report addresses the main subjects of sustainable development: business value, environmental part, and surrounding society.

Among the most important topics highlighted in this report: SIDPEC will intent to establish a new project regarding the production of propylene and polypropylene, where the selection of licenses, agreements for the purchase of electricity and feed gas have been completed.

The report also includes the activities of "safety stand down" under the sponsorship of the Egyptian Minister of Petroleum. We participated in this event as we keen on the employees' safety, improve the safety procedures of main processes, and reach to the highest levels of safety with no accidents and injuries.

Finally, it is my pleasure to thank all those who contributed to the achievement of the company's objectives, especially our employees as with their efforts; we have overcome all difficulties and challenges. We are always on the road to excellence and this force us all to commit more and work hard in team spirit.

# SIDPEC PROFILE

Overview	Business Value
Strategy	Supply Chain
Performance	Governance & Ethics

**SIDPEC is the first step towards integration in petrochemicals' industry in Egypt, and fulfilling a national objective, which is production of value-added products by using the available raw materials as well as developing related local industries.**

**The trade name of SIDPEC polymers is named "EGYPTENE®" polymer portfolio includes linear low-density polyethylene (LLDPE) and high-density polyethylene (HDPE).**

**Our brand "Egyptene" as the trade name of SIDPEC polymers is one of the finest well-known products in polyethylene industry worldwide as well as the local market.**

**Furthermore, on track of the national development plan, SIDPEC participates in maximizing profit for neighboring petroleum-sector companies by providing Ethylene used to produce VCM and PVC in the Egyptian Petrochemicals Company, instead of importing.**

**"We Consistently Demonstrate Business Excellence."**

# OVERVIEW

SIDPEC is an Egyptian joint stock company established on 16<sup>th</sup> of November 1997 under the Egyptian investment law and is located in Alexandria, Egypt.



Current  
Skilled Work  
Force

**1035**  
Labors

GHGs  
Reduction  
since 2014

**10,000**  
t CO<sub>2</sub> eq.

Social  
contribution  
since 2011

**61**  
Million EGP

# STRATEGY

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SIDPEC strives to enhance its developmental role, improve the quality of its services and optimize economic utilization of all resources in line with the vision of “Egypt 2030”.



## VISION

***Sustain leadership in the Petrochemicals' Industry in***

***both the international and local markets.***



## MISSION

***To produce and market high quality petrochemical products within an integrated business system established on the highest standards of ethics & integrity, an efficient staff and best updated technologies to achieve sustainable and profitable growth.***



## STRATEGIC OBJECTIVES

1. Maximize value added, increase production capacity and add new products.
2. Maintaining the leadership of the local market and presence in the international markets in order to penetrate the global market.
3. Attention to interested parties and identify their needs and work to achieve them.
4. Optimal use of resources, rational use of energy and concern for environmental protection.
5. Develop effective systems for training, competitiveness, knowledge management, staff development and loyalty
6. Maximize safety procedures and reduce accidents.

**SIDEPC sets strategic objectives to implement long-term vision and mission, and key success factors that can be quantified through periodic performance indicators.**

## CRITICAL SUCCESS FACTORS

1. Increase the production capacity of petrochemical products.
2. Increase the number of customers in the local and international market and increase the degree of customer loyalty.
3. Provide support and maximize cooperation with interested parties
4. Implement a system for effective monitoring of performance indicators and deviation control.
5. Updating units and equipment to ensure continuous efficiency of production processes.
6. Reduce the average age of technical workers in the range of 30 to 40 years.
7. Ensure the efficiency of the employees by implementing ambitious programs to qualify 100% of the new technical workers in a similar manner to the previous generation.
8. Developing personnel regulations, training and competitiveness among employees.
9. Develop safety procedures and monitor work in production sites to reach no accidents per year.

# PERFORMANCE

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SIDPEC quantifies its performance to identify strengths (to strengthen them) and weaknesses (to develop them).



Item	Performance Indicator	Measuring Unit	Measured Performance			
			2014	2015	2016	2017
People	Skilled Work force	Employee	1032	1028	1016	1035
People	Internal Mobility	%	8.4	12.4	12.91	-
People	Training Evaluation Surveys	%	86.75	87.99	90.25	90.17
People	CSR Awareness	Employee	-	101	80	108
People	Energy Awareness	Employee	55	153	252	124
People	Training (Sharing Knowledge)	Courses	14	18	28	31
People	Training (Sharing Knowledge)	Employee	401	661	911	829
People	Training Leadership development		34	46	98	65
Energy	Electricity Improvement	%	-	2.7	1.3	0.7
Energy	Saved Electricity	MWh	-	5,185	2,582	1,360
Energy	Saved Electricity	M EGP	-	2.9	1.4	1.6
Energy	Fuel Improvement	%	-	-	1.2	0.97
Energy	Saved Fuel	MMKCal	-	-	4,078	16,168
Energy	Saved Fuel	M EGP	-	-	0.6	5.5
Water	Total Savings	M EGP	-	-	2.5	-
Society	Summer training	Students	294	446	274	251
Society	Social Contributions	M EGP	3.9	6.6	9.2	9.9

# OBJECTIVES

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SIDPEC develops a set of programs that are monitored and updated annually to achieve the strategic objectives.



ITEM	OBJECTIVE
People	Energy awareness (200 trainees)
People	Training Courses by SIDPEC (25 Programs)
People	Leadership development programs (100 Employee)
People	Provide the required manpower by 60%
Energy	Production units' electrical Consumption saving by 180 MWh
Energy	Mixed Fuel Gas Consumption in ethylene plant by saving 33,000 MMKCal
Energy	Lighting' electrical Consumption saving by 275 MWh
Society	Subsidies for society (12 M EGP)
Society	Summer Training (220 Students)

# BUSINESS VALUE

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SIDPEC strives to enhance its developmental role, improve the quality of its services and optimize economic utilization of all resources.



## FUTURE INVESTMENTS

### PROPYLENE&POLYPROPYLENE PROJECT

The economic thought that managed by the Egyptian petrochemical industry represents a strong incentive for investors in this vital field. It also opens great horizons for this industry to achieve more successes in meeting the needs of the local market and supporting the existing industries, exporting abroad, or settling the new technologies needed by the petrochemical sector, which needs huge investments.

SIDPEC plans to establish a new petrochemical project under the National Petrochemical Plan with investments of more than \$ 1 billion, to provide polypropylene products in which its derivatives used in various industrial economic activities.

SIDPEC shall establish 500,000 ton/y propylene plant, 450,000 ton/y polypropylene plant, and planned to complete this project and start production by the beginning of 2022.

This project represents an example of the integration between the oil companies, which has entered into two contracts with GASCO to feed the project with production inputs of propane, and the other contract with ETHYDCO for the supply of electricity.

SIDPEC received offers from six international companies for the two licenses, and after evaluating all the offers, the contract signed and contracted with UOP and Grace to obtain the necessary licenses to establish these projects.

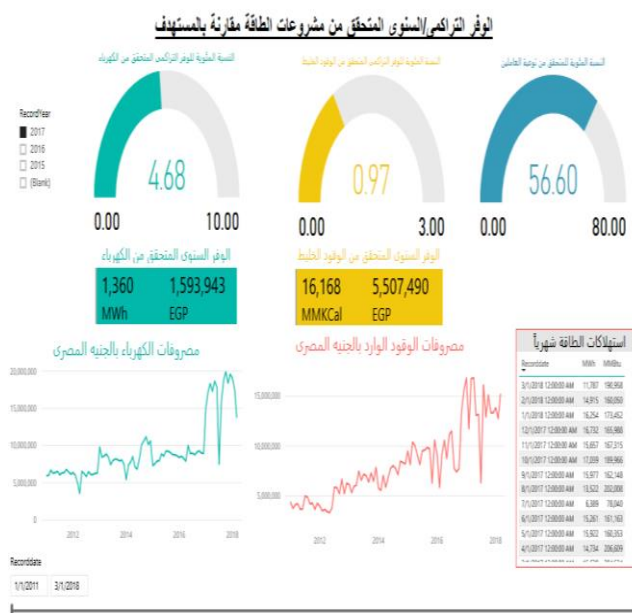


## KEY PERFORMANCE INDICATORS

### CONTINUAL IMPROVEMENT

From the output of SWOT analysis, we found that we could improve our key performance indicators (KPIs). Quality department issued quality objective regarding “Effective Performance Measurement System Deployment” as follow:

- Conduct Performance measurement training and awareness courses.
- Identify gaps and deviations between the existing performance measurement system and the best practice one.
- Set up monitoring panel for the performance measurement capable to support the continual improvement using a software “Bower BI”.



## BUSINESS EXCELLANCE

### BIZZ AWARD 2017

SIDPEC is not only achieved the production plan, but also won a new international award and received the certificate of the award in 2017, and this is to be a proof of the leadership and to be an example to follow.

SIDPEC has received the Business Excellence Certificate of 2017 from the World Confederation of Businesses (WORLDCOB) after being nominated for the award and passing the assessments from the assigned committee.

The aim of this award is to recognize the commercial excellence of all companies which be selected for the award according to their capabilities of developing business well and worthy of appreciation and provides an example for business in their communities and at the global level.



## PLANT PERFORMANCE

### OPORTUNITIES FOR IMPROVEMENT

#### In polyethylene plant:

- Reduce Cr catalyst consumption by about **16 Ton** equivalent to **9 M EGP**.
- Reduce Ziegler catalyst consumption about **31 Ton** equivalent to **4 M EGP**.
- Reduce hydrogen consumption equivalent to **1.2 M EGP**.
- Reduce filter elements consumption equivalent to **1.1 M EGP**.
- Reduce the percentage of second choice from 3.5 % to 0.18 % during transition state by convert about **6.1 thousand tons** to first choice saving about **0.9 M EGP**.
- Reduce additive consumption by **14 Ton** equivalent to **11 M EGP**.
- During extruder start up pellet, about **50 ton** start up pellet converted to first choice pellet with rerun saving about **0.8 M EGP**.

#### Utilities Plant:

- Reduce chemicals consumption of cooling towers by 35 % equivalent to **24,000 Euro**.
- Improve production processes by changing old control system established since 1999 with new one.

#### Ethylene Plant:

- Start up new amine unit.
- Addition of new drum of pressure swing absorption project (PSA).
- Start commissioning phase of CO<sub>2</sub> recovery project.



# GOVERNANCE & ETHICS

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SIDPEC committed to justice and the highest ethical standards in all dealings.



## Governance

- SIDPEC has established a system of governance for the implementation of its sustainability strategy and appoint the general management of HSE and Quality to be responsible for developing the sidpec's vision towards sustainability, priorities, and objectives, as well as to be responsible for the corporate's performance on sustainability.

## Anticorruption

- Sidpec Identified the Risks of Corruption, Implement and Maintain Many Policies and Practices to Counter Corruption, Sidpec Rules such as HR, Purchasing, Marketing and all of its Rules Counter Corruption.
- Sidpec's Leadership is a Clear and Perfect Pattern for Anticorruption, provide Commitment, encouragement Implementation Of anticorruption Polices.
- Sidpec Code Of Conduct Emphasizes The Rules Of Anticorruption.
- Sidpec Always Work to raise the Awareness Of its People and All Stake Holders about Corruption.

## Human rights

- Sidpec avoids getting involved in any business is not consistent with Human rights.
- Sidpec do not enter into partnership or relationship with any partner that commits human rights abuses.
- Sidpec avoids any relationship with entities which engaged in antisocial activities.
- Sidpec has effective grievance mechanisms that protect human rights
- Sidpec eliminates all forms of forced or compulsory labor.
- Sidpec do not use child labor internally or among its suppliers or customers.
- Sidpec respects the right of own property.
- Sidpec respects access to due process and right to a fair hearing before any internal disciplinary measure had taken.

## SIDPEC Code of Conduct



SIDPEC commits to encouraging a safe, supportive and reproductive work environment through cooperative and sustainable principles of conduct and ethical behavior. We envision added human rights and social value by incorporating Social Responsibility into our activities. Our approach is built upon a holistic view, transparency and an open dialogue with consideration to our stakeholders' interests. We are accountable for our impact on society, the economy and the environment with respect to the rules of law and international norms of behavior.

### 1- Governance:

Our decisions are taken in pursuit of our objectives and are built upon factual Data.

We gain credibility by adhering to our commitments, displaying honesty and integrity and reaching company goals solely through honorable conduct.

Management is responsible for demonstrating through their actions, the importance of this code.

*"Refer to our vision & mission"*

### 2- Human Rights:

We believe that all employees deserve to work in an environment where they are treated with dignity and respect. We are committed to creating such an environment because it brings out the full potential in each one, which in turn, contributes directly to our business success.

We are an equal employment entity and are committed to providing a workplace that is free of discrimination of all types of abusiveness, offensiveness or harassing behavior. Any employee who feels harassed or discriminated against should report the incident to his or her supervisor or department manager. If the employee is not satisfied that the matter has been appropriately addressed, the employee should feel free to address this issue to the company's Chairman.

We oppose child labor in our premises and among our stakeholders.

### 3- Labor Practices:

We endeavor to invest in our employees by providing them with the best possible skills and abilities in order to develop their individual potential to the maximum, and thereby contribute to a sustainable success and competitiveness of our enterprise. We provide specific training to the employees as regards to technical aspects connected with our processes and the field of health & safety at the workplace as well as other relevant aspects connected with the enterprise activities.

We strive to create working conditions that give our employees the convenient environment to work considering the human aspects and particularly without any risk for their health and industrial hygiene.

We have clear recruitment and promotion criteria for all employees. Our grievance procedures are identified and we recognize the right for employees' representation to participate in a transparent social dialogue.

### 4- The environment:

We are committed to conserve the natural environment, endorsing the principles of sustainable use and minimum impact on the environment in full compliance with the applicable laws and regulation.

Our stakeholders should be sensitive to the impact of their operation on the local community and cultural setting within which they work and minimize any adverse effects.

We encourage our stakeholders to develop their own, and others' understanding of the environment protection and the behaviors that can adversely affect it.

Within our decisions and activities, we adopt special practices that take into consideration the direct and indirect economic, social, health and environmental implications.

We envision ourselves in future as a zero liquid discharge, zero pollutants emission and zero wasted energy company. "Refer to our HSE policy". ***"Refer to our vision & mission".***

### 5- Fair Operating Practices:

We prohibit corrupt or non-ethical practices.

We investigate all reported instances of questionable or unethical behavior and take appropriate actions that prevent such unethical behavior in the future. Our commitment to integrity begins with complying with laws, rules and regulations.

We are dedicated to ethical, fair and vigorous competition. We sell our products based on their superior quality, functionality and competitive pricing.

We respect the property right of others. We do not acquire or seek to acquire improper means of a competitor's proprietary or confidential information.

## 6- Consumer Issues:

We are keen to provide products, which achieve our customers' satisfaction.

We provide our customers with fair and transparent information of our products.

We review our customers' complaints and improve practices in response to them.

We offer adequate and efficient support and advice system for our customers.

We always take adequate measures to protect our customer health, safety and business. ***“Refer to our policy”.***

## 7- Community Involvement and development:

We consider ourselves as an integral partner of the community in approaching educational development projects.

We provide continuous contributions to the surrounding communities to promote higher levels of well-being in these communities.

We provide employment opportunities for our surrounding community either directly through us or indirectly through our subcontractors.

We never cease to invest tremendously on our community health care projects.

We support research and development projects in cooperation with governmental institutions and universities.

**16 PEACE, JUSTICE  
AND STRONG  
INSTITUTIONS**



***“  
It is easy to say what we must do, but  
the proof is in our actions  
”***



# EMPLOYEE

## PART ONE

Labors Development

Safety Enhancement

**SIDPEC foremost responsibility is to provide its staff with all the tools and skills to accomplish its business plan and objectives.**

**Human resources services include design of work positions; hiring; reward and recognition; performance development and appraisal systems; and career succession planning.**

**“We constantly assessing the effectiveness of HR services, sponsoring change in work practices and build employee loyalty.”**

# LABORS DEVELOPMENT

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SIDPEC human capital is the driving force for its success.



## CAREER DEVELOPMENT

### OVERVIEW

Our career development policy consists of two processes:

#### Career planning:

- Identify personal abilities and interest.
- Supporting employees in obtaining professional diplomas and academic degrees.

#### Career Management:

- Identifying future staffing needs,
- Provide career training,
- Assess training programs.

We select new employees with the right mindset, based on consistent interviews to ensure a good selection process.

## LABORS' LOYALTY

### BENEFITS

SIDPEC offers opportunities to experience different aspects of our business through short-term assignments, internal transfers, and international roles.

There are retirement plans enhance labors' involvement and belonging also increases retention and longer stays within the company, as mentioned below:

- Offering social insurance contribution that obtains the employee the highest pension grade when reaching retirement age.

- Providing an additional pension benefit.

- Offering a life insurance policy.

We encourage employees to contribute their ideas through ideas. We almost reached about **410** Ideas in this bank till now.

SIDPEC initiates a motivation policy based on the performance of labors along the year where SIDPEC grants merit bonus for them who show high effort and introduce a creative solution to the work environment issues. In 2017, **143** labors get merit bonus.

Medical check of the employees through the hosting of the contracted medical bodies periodically until the early detection of any diseases.

The development of medical devices and equipment within the company's clinic, such as cardiology equipment.

Conducting awareness seminars for the employees and their families through various medical bodies.

In March 2018, SIDPEC launched a medical application on cell phones enables all labors to search about any medical service and its details.

## TRAINING

### KNOWLEDGE DEVELOPMENT

SIDPEC offers training courses covering the areas of finance, operations, safety & marketing. The programs enable recent graduates & young leaders to accelerate their careers by gaining hands-on experience in multiple role.

In addition to leadership programs, we transfer valuable knowledge from the most experienced, high performing labors to others through internal training courses.

**Knowledge management is one of the most important pillars in SIDPEC.**

## TRAINING

### ENERGY PERFORMANCE INDICATORS

*With reference to UNIDO/IEE project and to the Energy Management System implementation, as continuation of this work, a training program was organized by UNIDO in September 2017; Energy Performance Indicators (EnPIs) training sessions. Four engineers / national experts from SIDPEC attend two sessions; (10-11 Sep. 2017 and 12-13 Sep. 2017) in Cairo.*

This course aims at equipping attendees with the skills necessary to develop metrics that can reliably monitor energy performance and quantify the level of performance improvement of an entire organization, a building or a process. Those techniques can also be used to verify the savings generated by specific energy saving projects. The course demonstrated techniques for communicating energy performance information to various audiences including lower staff, supervisors, senior management etc. This course described how measuring Energy Performance is rarely as simple as comparing this year total energy consumption with last year's total energy consumption, the effect of variables which affect energy consumption - production output, product mix, weather, building occupancy etc. Practical application was demonstrated about how these measures can be done using Excel sheet. The training was carried out by UNIDO's international EnMS experts.

# SAFETY ENHANCEMENT

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We preserve facilities property, and safeguard the lives of workers of these enterprises from the industry's risk.



## OCCUPATIONAL HEALTH & SAFETY

### PERFORMANCE

#### Fire Drills:

- Train and raise the efficiency of firefighters in the event of an emergency.
- We perform **48** experiments.

#### HS Committee:

- We conduct **22** meetings.

#### Firefighting Pumps:

- We perform **20** performance tests for firefighting pumps.

#### Fire Extinguishing Equipment:

- Perform periodical maintenance for fire valves, deluges, hydrants, and hoses.
- Perform periodical maintenance for breathing cylinders, and fire extinguishers.

#### Fire & Gas Detection System:

- Test **twice** per year all deluge valves, fire call, smoke detectors, heat detectors, gas detectors, and foam and inergen systems.

#### Periodical inspection:

- For all equipment, buildings, and transportation **4** times p.a.



## SAFETY STAND DOWN

### CASE STUDY

Under the sponsorship of the Minister of Petroleum, HSE department organized a **"Safety Day Event"** on 28 November 2017 from 10 AM to 12 PM in the main hall of SIDPEC.

This came on the sidelines of second workshop regarding HSE protection held annually to review the procedures followed in this field and to identify the latest scientific techniques and methods in the international oil companies operating in Egypt.

Through video conference, Minister of Petroleum said in his speech that safety and health is a major part of the petroleum industry and the elements of the integrated production process in all petroleum activities.

In addition, he said that there is a balanced strategy to deal with industry risks including planning and taking preventive measures, training of personnel and the provision of equipment to work safely, and prepare for any crises may occur during the work.

He was noting that the vision developed for the oil sector under the project modernization includes a number of core values must be preserved and comes on top safety and health

Our stand down agenda program was as follow:

- Chairman to conduct own speeches.
- HSE managers to explain the activities during the stand down

Stand down activities to be determined by our company are:

1. Walk through of top management.
2. Delivering of some safety brochures for attendees.
3. Discussion of some safety topics such:
  - 3.1. Perform a risk assessment.
  - 3.2. Follow the safe system of work.
  - 3.3. Control entry to confined spaces.
  - 3.4. Operate vehicles in safety mode.
4. Open discussion with chairman and senior management.
5. Held a safety information competition for the attendees and delivering prizes.



## SAFETY COMPETITION

### CASE STUDY

Under the sponsorship of the CEO, HSE Department organized a competition between Labors. This Competition carried out in 2007, 2008, 2014, and in 2017 to raise awareness of occupational safety and health issues and environmental protection in a competitive framework to encourage workers to read and read about the Occupational Safety and Health, Environmental Protection and emergency regulations.

The competition was as usual with two models for all departments of the company for the technicians and the administrative.

About 57 of 210 participated labors succeeded in this competition. The top ten honored in “safety stand down” event.

## PROCESS SAFETY

### TUV SEMINARS

One of the key responsibilities belongs to HSE is to develop a risk management program in order to ensure that all risks to health, safety, environment and security are understood and thus make better business decisions and risk management effectively.

In order to meet these commitments, SIDPEC keens to communicate with the companies working in this field. TUV Company had invited to present its services to SIDPEC in the field of process safety management, and to evaluate the current system used, in addition to provide some theoretical lectures to raise awareness of workers in this field.

## DRILL EXPERIMENT

### PERFORMANE

As part of the cooperation between the neighboring companies, a fire drill was conducted at sidpec's factories on 7<sup>th</sup> March 2018, with the participation of SIDPEC, Egyptian Petrochemicals and Ethydco, for training individuals to fight against fire.

The training praised for the effectiveness of the training and its seriousness, the speed of control over the fire and the coordination that emerged among all the participants in the maneuver. The training showed the rapid response of all parties to carry out the tasks assigned to them.



**We transfer Experience  
to Petrochemicals Sector**



# ENVIRONMENT

## PART TWO

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Energy Efficiency

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Environment Protection

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**SIDPEC keens to support community development to improve the lives of citizens, improve their well-being, and preserve the achievements.**

**In addition, SIDPEC ensures the continued growth of development for this generation without harming the needs of future generations through the conservation and development of environmental resources and supporting their absorptive capacity and protection against pollution, waste, depletion and environmental degradation.**

**SIDPEC is adopting procedures to avoid the occurrence of radioactive or noise pollution and to ensure limitation of permitted standards.**

**"We don't taking any steps that would have any negative impact on the environment."**

# ENERGY EFFICIENCY

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SIDPEC believes that sustainable energy is prerequisite for development, economic growth and prosperity creation.



## ENERGY PROJECTS

### OVERVIEW

In 2017, SIDPEC approved the energy objectives set to reduce the annual electrical consumption by **0.61 %** and annual mixed fuel consumption of ethylene plant by **1.0 %**.

As a part of day-to-day operation regarding EnMS, action plans concerning energy projects for improvement are being addressed and completed.

Based on opportunities list ranking, SIDPEC is still working on NO COST projects. The energy projects for improvement during 2017 are as follow:

- Reduce 180 MWh of final effluent pumps by decreasing the water blowdown from cooling towers.
- Reduce 412 MWh of air compressors by reducing the set point of IGV opening percentage from 50 % to 30 %.
- Reduce 16,700 MMKCal of mixed fuel in ethylene plant by changing a lot of steam traps and blowdown valves.
- Reduce 400 MWh of extruders by optimizing the operating conditions.
- Reduce 200 MWh of lighting by replacing HPMV fixtures with LED ones.

During 2017:

Our Energy saving is about:

**20,000 MWA**

Equivalent to

**4,500 t CO<sub>2</sub>**



**EGP 7 Million**

## COMPRESSED AIR SYSTEM OPTIMIZATION

### CASE STUDY

Data derived from energy review illustrates that there are about 12 significant energy uses out of 887 total motors uses. This situation leads to think about how the other uses can be optimized to improve their efficiencies and save a substantial amount of energy.

In cooperation with UNIDO, industrial energy efficiency (IEE) project in Egypt invited SIDPEC to attend training program about compressed air system optimization (CASO). Six engineers from SIDPEC attend this program.

The training was carried out by UNIDO's international CASO experts. Training included site visit at one of steel company, in which trainees learn how to install data loggers, collect data and analyze the results.

The most beneficial part regarding this training is to get the assistance of international experts and their advices. SIDPEC team prepare a site assessment report for its compressed air system. The purpose of this report is to list opportunities for improvements evaluated by international expert during his site visit to SIDPEC organized on September 2017.



## UNIDO SITE VISIT - SUSTAINABLE ENERGY

### CASE STUDY

During March 2018, UNIDO organized a site trip to SIDPEC. The purpose of this trip is to meet EnMS management representative, energy team, national experts, and employees to discuss the co-benefits of energy efficiency in SIDPEC.

This discussion is part of IEE project to conceptualize and establish indicators regarding co-benefits of energy efficiency in industry.

UNIDO as usual took an excellent impression within this fruitful visit. This is an indicator that SIDPEC staff aware of energy efficiency related with sustainability, local community, HSE conditions, and interested parties.



# ENVIRONMENT PROTECTION

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SIDPEC keens to take care of protecting the environment of the surrounding community in starting from the selection of raw materials used and the end of the safe disposal of waste resulting from the company's various works.



## ENVIRONMENT

### PERFORMANCE

Compliance with the Egyptian Environmental Law regarding the disposal of hazardous solid wastes:

- All hazardous wastes were disposed of by sending them to a landfill area (15 ton).

Compliance with the Egyptian Environmental Law regarding the disposal of non-hazardous solid wastes:

- All non-hazardous solid waste disposal has been disposed of by selling to one of the contractors (30 ton).

Compliance with the Egyptian Environmental Law regarding the disposal consumed oils:

- All non-hazardous solid waste disposal has been disposed of by selling to El-Seham Petroleum Company (33.5 ton).

Gas measurements in all sites:

- Performed twice per year.

Noise measurements in all sites:

- Performed once every three months per year.

Radiation elements:

- Follow up all activities performed twice per month.

## NEW ENVIRONMENTAL ACTIVITIES

### OVERVIEW

All Environmental Impact Assessment studies regarding new amine unit had been completed.

Studying offers regarding the connection of heaters and boilers stacks' measurements on the national network for air monitoring.

Institute of graduate studies and research performed environmental measurements to check the suitability of work environment for labors.

**We committed to operate our processes in a manner that minimizes the environmental impact to the minimum limits.**

## ISO 14001 Transition

### CASE STUDY

As happened in ISO 9001 certificate last year, SIDPEC succeeded in the transition of its EMS to be complied with the new version of the ISO 14001:2015 and obtained the certificate at the end of 2017.

The new version of ISO 14001: 2015 considered an important achievement as it will enhance the position of environmental management in SIDPEC. One of the most important changes in the new version is to emphasize that business sustainability and continuity of development have become the core of the work, which will converge on the strategic direction with environmental management systems. In addition, it increases the focus on environmentally friendly business performance.

SIDPEC believes that ensuring the continuity of development and growth in a manner that respects the environment and sponsors it for future generations is a collective responsibility that rests with all institutions, companies and even societies.





# SOCIETY

## PART THREE

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Society Needs

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Social initiatives

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**Our annual agenda includes series of campaigns, activities, programs, and awareness-raising, humanitarian and volunteer initiatives that benefit the local community or contribute to improving people's lives, in one way or another.**

**SIDPEC identifies developmental and humanitarian areas in coordination with government agencies and humanitarian institutions, which can contribute effectively to them in a way that has a positive impact.**

**We are dedicated to perpetuating the principle of continuity and sustainable impact by establishing a consistent program of community, charitable, volunteer and humanitarian activities, and periodically evaluating, developing and expanding their impact.**

**"We prioritized our programs in line with the strategic objectives of social responsibility."**

## SOCIETY NEEDS

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SIDPEC provide the sustainable programs that meet its surrounded society needs with highest priority.



## SOCIAL CONTRIBUTION

### OVER VIEW

SIDPEC provides health care for individual cases that are not covered by insurance. SIDPEC has set up a treatment fund in one of the distinguished charitable hospitals and funding it with about **300,000 EGP**. This fund provides health services such as operations, medicines, chronic treatment, etc., according to strict conditions and standards. SIDPEC is constantly providing another amount to recover this fund. So far, nearly **70 cases** had been treated.

**OUR SOCIAL CONTRIBUTION**

**during 2017**

**9,953,205 EGP**

# SOCIETY INITIATIVES

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We always affirm that our efforts will have a positive impact on our partners, and future generations.



## SUMMER TRAINING

### OVER VIEW

In 2017, approximately **251 students** attended summer training course.

A practical training conducted for **25 students** of the master's degree in the Faculty of Science at our laboratories.



## EGYPT'S OIL & GAS MODERNIZATION

### CASE STUDY

The Petroleum Sector Modernization Project is an inseparable part of the ongoing reforms in Egypt where the sector is working in a proactive way to develop itself with good governance and accountability as well as supporting sustainability and financial balance.

SIDPEC participated in one program regarding this modernization project: Program 4B: "Energy Efficiency".

SIDPEC has utilized its good relationship and continued cooperation with UNIDO in organizing a training program on "Motor System Optimization" for oil & gas companies in Egypt.

The aim of these programs is to qualify the workers by providing detailed technical information on how to solve problems and improve the performance of motor systems used in the industry, demonstrate the basic rules for optimizing the efficiency of motor, and how to choose the best service provider.

One of the quick benefits of implementing this program is to develop many opportunities for improvements that expect to save about **2,100 MWh** p.a. equivalent to **1.5 M EGP**.



## ELAB SUPPORT

### CASE STUDY

As part of the cooperation between SIDPEC and the Egyptian Company for the Production of Linear Alkyl Benzene (ELAB), SIDPEC provided the necessary technical support for EAB to upgrade its quality management system to comply with the requirements of the latest version of ISO 9001:2015 as follow:

- Perform Gap Analysis to determine the basic points required for compliance with the requirements of the ISO 9001: 2015.
- Provide awareness sessions regarding new version of ISO 9001:2015, internal audit and KPIs.
- Prepare essential documents.
- Conduct an internal audit to confirm the readiness of ELAB for external audit.

In March 2018, ELAB obtained the certificate of ISO 9001:2015.



### About this Report

This report includes SIDPEC sustainability activities during 2017 and published on UN Global Compact web site in May 2017.



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