



# Ras Ghareb Wind Energy Project

Gulf of Suez, Egypt

## Corporate Social Responsibility Plan



*Corporate Social Responsibility is a business approach that contributes to sustainable development by delivering economic, social and environmental benefits for all stakeholders.*

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Process Owner	Chief Executive Officer

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## 1. DEFINITIONS

**Corporate Social Responsibility (CSR):** A business approach that contributes to sustainable development by delivering economic, social and environmental benefits for all stakeholders.

**Stakeholder Engagement (SE):** The process used by an RGWE to engage relevant stakeholders for a purpose to achieve accepted outcomes.

## 2. OBJECTIVE

The aim of this **Corporate Social Responsibility Plan** is to ensure firstly that RGWE conducts its business in a way that is lawful and ethical, and secondly that RGWE further promotes a proactive approach to CSR through, for example, activities of volunteering and community support. To do so, RGWE shall take in account its social, economic and environmental impact, and consideration of human rights. RGWE's Corporate Social Responsibility includes:

- Complying with legal requirements and promotion of business ethics
- Working in partnership with local communities
- Developing relationships with employees and customers
- Ensuring environmental protection and sustainability

## 3. LEGAL & CONTRACTUAL REQUIREMENTS

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*RGWE is committed to comply with the international legal requirements associated with the project's environmental and social impacts. The legislation pertinent to the project is the following:*

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- Relevant Egyptians environmental and social laws and regulations
- Equator Principles III 2013, underpinned by International Finance Corporation Performance Standards on Environmental and Social Sustainability 2012 (“IFC PSs”) and supporting World Bank Group Environmental, Health and Safety (“EHS”) Guidelines:
  - The World Bank Group General EHS Guidelines (April 2007)
  - The World Bank Group EHS Guidelines for Wind Energy (May 2015)
  - The World Bank Group EHS Guidelines for Electric Power Transmission and Distribution (April 2007)
- JBIC Guidelines for Confirmation of Environmental and Social Considerations (January 2015)
- NEXI Guidelines on Environmental and Social Considerations in Trade Insurance (January 2015)
- Key International Labor Organization (“ILO”) conventions signed and ratified by Egypt, all ILO conventions covering core labor standards and ILO conventions covering the basic terms and conditions of employment. Egypt has ratified the eight core (fundamental) ILO conventions, namely:
  - ILO Conventions 87 and 89 on freedom of association and collective bargaining
  - ILO Conventions 29 and 105 on elimination of forced and compulsory labour

- ILO Conventions 100 and 111 on elimination of discrimination in respect of employment and occupation
- ILO Conventions 138 and 182 on abolition of child labour

## 4. ETHICS AND VALUES

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*In addition to RGWE's compliance with legal requirements, RGWE is committed to further develop its Corporate Social Responsibility by complying to a thorough Ethics and Values policy*

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RGWE produced a Company **Ethics and Values Document** which presents RGWE's fundamental ethics principles, its code of conduct in supplier relations and finally its human rights commitments (in accordance to United Nations Guiding Principles) that shall be followed by RGWE Employees and representatives. The document also presents a section with guidelines for implementation to ensure that RGWE Ethics and Values are concretely applied within RGWE's day to day operations and management.

Contractors rendering services to RGWE should be asked to follow comply, to the extent reasonably possible, to this Company Ethics & Values.

A complete transcription of the content of Ethics and Values, alongside a procurement policy with regards to the code of conduct in supplier relations, were published on RGWE website.

## 5. STAKEHOLDER ENGAGEMENT

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*Stakeholder engagement is the basis for building strong, constructive, and responsive relationships that are essential for the successful management of a project's environmental and social impacts.*

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Stakeholder Engagement is a core principle of RGWE and RGWE issued a Stakeholder Engagement Plan to ensure optimized financial, social and environmental outcomes. The **Stakeholder Engagement Plan** takes the form of an ongoing Stakeholder Engagement process in a structurally and culturally appropriate manner with Affected Communities and, where relevant, other Stakeholders.

## 6. PROACTIVENESS

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*Departing from its Ethics and Values policy and using the framework of RGWE Stakeholder Engagement Plan, RGWE is committed to take a proactive part in promoting values such as those of equality, fairness and sustainability.*

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During the 2 years construction period, RGWE will dedicate a yearly budget of \$24 000 to cover its Corporate Social Responsibility actions. A fraction of the first year budget (\$4000) was dedicated to RGWE's Stakeholder Engagement activities detailed in the SEP Plan (for the website and the leaflets). The 2019 CSR budget (\$24,000) will be dedicated the below proactive CSR activities (see *Attachment 1 for the annual budget allocation*).

In order to assess the needs of the local communities of Ras Ghareb, RGWE sent a CSR delegation to Ras Ghareb and at site in June 2018. The detailed report of the visits as well as the contacts of the concerned local Stakeholders can be found on RGWE shared OneDrive folder.

In July 2018, RGWE issued its first CSR Plan (see RGWE PROC-19 CSR Plan - 20180704 V01). The plan was based June assessment and considering (i) the RGWE Ethics & Values, (ii) the limited available budget and (iii) the priorities that RGWE management would like to give to Health and Education. Most of the actions contemplated under 2018 Plan were well carried out.

RGWE's shareholders -Engie, Toyota-Tsusho and Orascom- have all a tradition of extensive involvement in the field of education when it comes to CSR. As a consequence, it appears of logical consequence to make education the number one priority of RGWE community support programs.

**For 2019, RGWE decided to pursue the following proactive CSR activities:**

### **6.1. Scholarships**

RGWE will continue to provide for the second year **scholarships** to a few students exiting from the (i) the Ras Ghareb Boys Secondary School and the (ii) Ras Ghareb Girls Secondary School. This scholarship program will be later extended to students exiting the Ras Ghareb Nursing School. The scholarships are intended to help the students with their living expenses while continuing their studies at the university. The scholarship will be provided on an annual basis and according to the convention agreed between the Municipality schools representative and RGWE. The convention defined the processes for scholarship application, selection of candidates, annual budget allocation and monitoring of the beneficiaries.

### **6.2. Schools Repairs**

RGWE in collaboration with SGRE will perform **repair works for Ras Ghareb Primary School**. The works will include mainly toilets & firefighting system repairs. RGWE will pay for the material while SGRE will procure it and provide for the labour services. This project is scheduled to be completed before schools resume in September 2019.

RGWE in collaboration with Orascom Construction will perform **repair works for Ras Ghareb Nursery**. The works will include mainly electrical & sanitary repairs, painting, doors, windows & courtyard refurbishing, replacement of certain equipment. RGWE will pay for the material procure the required services in addition to those provided by Orascom Construction. This project is scheduled to be completed by End March 2019.

### **6.3. Health**

Health is the second major priority of RGWE with regards to community support programs. RGWE will get the feedback regarding the required **medical equipment** for (i) the Central Hospital of Ras Ghareb, (ii) the newly created physiotherapy center and (iii) the Nursing School. RGWE will then consider to provide further equipment. For more expensive medical devices such as dialysis, RGWE will seek the eventual support of project sponsors.

With the support of Orascom Construction, RGWE will consider to perform **building repair works** in the Central Hospital, in particular with regards to the unsafe plugs and the HVAC system.

#### **6.4. Improving Education at Nursing School**

At the request of the Nursing School, RGWE will endeavour to provide **specific trainings** for the school teachers and students. A first session of 1 week medical training with international doctors was provided in February 2019. English training will be probably provided during 2019.

#### **6.5. Environment**

The environment, its protection and sustainable development are particularly important to RGWE as states in Ethics and Values. RGWE is paying particular attention at Site in regards of waste collection, avoiding soil spillage by oil or fuel & protect the landscaping.

Taking example on Toyota-Tsusho's thorough involvement in CSR environment preservation activities, RGWE will organize in the head office of New Cairo a **trash cleaning community event**. The goal is to spend half a day cleaning the waste around the Sahara Plaza building, in collaboration with the different firms using the building facilities.

#### **6.6. Labor conditions**

RGWE considers of utmost importance that its employees and the employees of its contractors and subcontractors are working in a fair environment according to international norms. To ensure this, RGWE takes a proactive stance and conducts **labour conditions audits**. A first audit was conducted in June 2018 by the RGWE CSR delegation. RGWE received confirmation letters from Orascom Construction's subcontractors that the following requirements are respected with regards to their employees:

- Provision of decent and sufficient housing
- Minimum salary
- Social insurance in place
- Absence of child labor

The same will be requested again in 2019, including this time SGRE who is now mobilized at Site.

RGWE has put in place hepatitis vaccination campaigns in 2018. In 2019, **medical checks** for all RGWE employees will be put in place.

RGWE is concerned about the quality of the ambient air in Ras Ghareb. RGWE is undertaking **air quality** measurement campaigns and will investigate the source of the eventual pollution.

#### **6.7. Human Resources**

RGWE is committed to provide its employees with learning experiences to better their evolution in the workplace. In this perspective, RGWE is welcoming **interns** to give students or young managers the opportunity to become familiarized with the workplace environment.

Further, to promote the personnel development of its employees, RGWE is committed to entitle them each year for a training. RGWE establishes a **Training Plan** to organize those trainings. The newly hired staff for the wind farm operations will be provided an extensive training program including the following topics: HSE, Wind & electrical substation.

## **7. MONITORING AND REPORTING PROCESS**

It is of utmost importance to report and monitor correctly all CSR related activities in order to ensure their smooth operation, an optimized future functioning and good relationships with the concerned community through high-level of communication and feedback.

RGWE will update yearly its CSR Plan with the following:

- Information on the progress of all ongoing proactive CSR activities
- A list of all known future proactive CSR activities
- An update of the annual budget allocation for CSR activities (*see Attachment 1 for the current budget*)
- A yearly action plan (*see Attachment 2 for the current action plan*)

CSR newsletter will be published on RGWE's website on a quarterly basis to provide the general audience with a summary of the progress of the CSR activities. The newsletter will be shared with the project sponsors and, in particular, will be published on ENGIE Yammer or in ENGIE North Africa Monthly News.

RGWE will perform an annual survey towards its stakeholders in order to have their feed-back on (i) their knowledge of RGWE CSR actions, (ii) the effectiveness of RGWE CSR actions and (iii) suggestions of further CSR actions.

RGWE will perform annually a self-assessment of its SEP and CSR activities.

## ATTACHMENT 1: 2019 BUDGET ALLOCATION

NB: The below 2019 budget allocation is preliminary and should only be considered as a guideline.

Sector	Beneficiaries	Action	Total Cost	Partners Contribution	RGWE Contribution
Education	Girls, Boys & Nursing Schools	Scholarships	\$6,000		\$6,000
	Nursery	Repairs	\$6,000	\$1,000	\$5,000
	Primary School	Repairs	\$12,000	\$10,000	\$2,000
	Nursing Schools	Training	\$6,000	\$2,000	\$4,000
	Other Schools	Repairs	\$4,000	\$2,000	\$2,000
Health	Hospital, physiotherapy center & Nursing Schools	Equipment	\$5,000	\$2,000	\$3,000
		Maintenance	\$4,000	\$2,000	\$2,000
<b>TOTAL</b>			<b>\$46,000</b>	<b>\$19,000</b>	<b>\$24,000</b>

Intended partners for our CSR activities are: Orascom Construction, Siemens Gamesa and RGWE shareholders.



## ATTACHMENT 2: 2019 SUMMARY ACTION PLAN

### *Compliance with legal requirements*

- See the RGWE Stakeholder Engagement Plan

### *Proactiveness*

- Scholarships:
  - get the students' feedback regarding their first year at university (including results), and how the scholarship was beneficial to them last year.
  - Advertise the scholarship program and select the additional students who will benefit from September 2019
- Repair works:
  - visit the 2 secondary schools, the nursing school and the hospital in order to see if repair works performed in 2018 were effective and if any additional work could be performed by RGWE.
  - Perform the Nursery repair works with the support of OC and with the hired local contractors
  - Coordinating with SGRE for the repairs of the Ras Ghareb primary school.
- Medical Equipment:
  - visit the nursing school and the hospital in order to see if medical equipment offered in 2018 were effective and if any additional medical equipment could be provided by RGWE and/or its partners.
  - visit the therapy center in order to see if medical equipment could be provided by RGWE and/or its partners.
- Monitoring & communication
  - Ensure quarterly meeting with RGWE Municipality regarding CSR activities
  - Perform the survey to get stakeholders feed-back on RGWE CSR activities.
  - Publish quarterly CSR newsletters
  - Perform the annual CSR self-assessment
- Others:
  - Determining the date and practicalities of the trash cleaning community event in New Cairo.
  - Further develop RGWE Training Plan.
  - Monitor carefully environmental aspects at site
  - Ensure that all RGWE employees pass annual medical check-up
  - Ensuring reception of Orascom & SGRE subcontractor's letters with regards to labor conditions audit.
  - Further investigate Ras Ghareb air quality issue
  - Welcome and take good care of the Management Trainee (from OC) and the Summer Interns (students from Ras Ghareb)