

The background image is an art installation. It features a dark, textured surface in the foreground, possibly a rug or a wall. In the background, there are two clay vessels: a tall, dark, textured one with a handle, and a shorter, lighter-colored one with a wide, flared base. The text "ESG Report 1H FY 2022" is overlaid on the image in a gold color.

ESG Report 1H FY 2022

Introduction

Our ESG Principles



Environment

We are committed to environmental stewardship and minimizing our environmental impact



Social

We are continuously investing in our people, and fostering a safe, diverse & inclusive culture. In addition to serving the community in which we reside in.



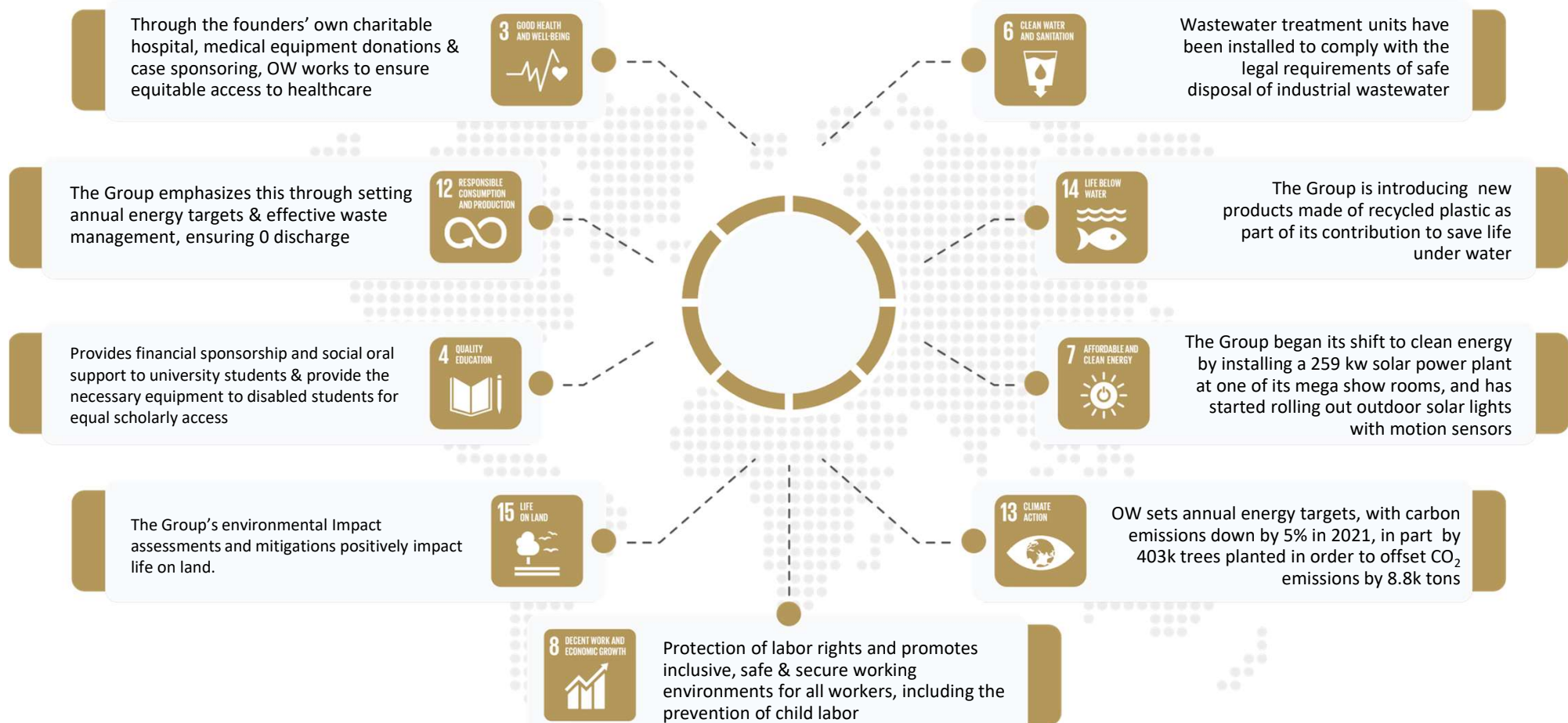
Governance

We are committed to protect the interests of all the stakeholders and comply with all relevant laws and regulations.



Introduction

Alignment with the United Nation's Sustainable Development Goals (SDGs)




ESG Report

Environment (1 of 5)


Climate change Strategy 2022-2025

Strategy Objectives

OW is ISO 14001 certified.




Oriental Weavers is committed, within the framework of its social responsibility, to the preservation and development of the environment in which it resides. While the Group have a formal environmental policy in place, OW manufactures its products in compliance with ISO 14001 and the relevant country’s laws and regulations. Additionally, OW continuously seeks to reduce the impact of its activities on the environment by the use of safe technological methods and clean energy, and the reduction of waste by preservation and recycling




Annual Assessments

The Group carries out an Annual Environmental Impact Assessment, which takes place every year to identify the environmental aspects and their impact and set an action plan to mitigate risks.




Greenhouse Gases

The Group is committed to reducing its greenhouse gas emissions by 30%, within the coming 5 years. Through the implementation of energy management system, Installing CHCP and Installing solar power stations 5 MW




Waste Management

The company strategy is to reduce 50 % generated solid waste within 5 years . An internal policy for waste recycling has resulted in .30% of generated solid waste being recycled internally. One of our subsidiaries, EFP, uses recycled waste as its raw material



Energy Consumption

Energy efficiency measures at OW factories have achieved energy saving more than c.10 % annually. OW is now using outdoor solar powered light in some of its factories



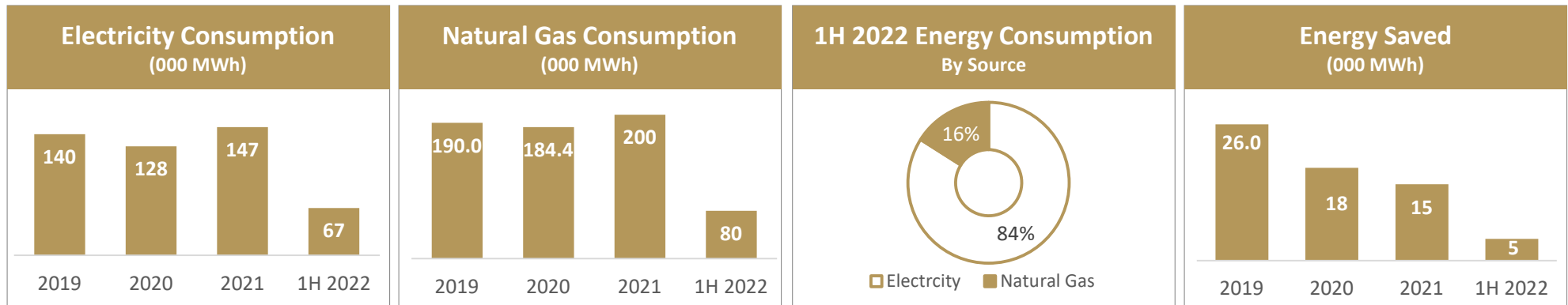
Water Consumption

OW strategy is to reduce water consumption by 20 % within 5 years by: modifying its technology to transfer the significant water consumed to zero liquid discharge by Using underground water for irrigation

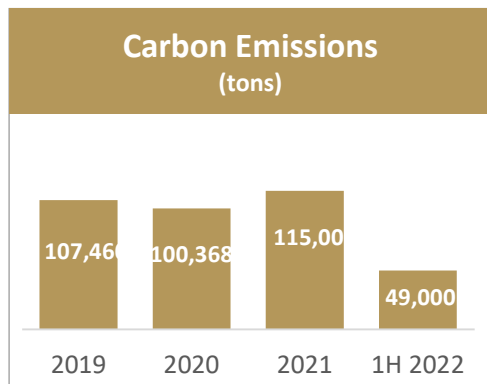
Environment (2 of 5)

Environmental KPIs

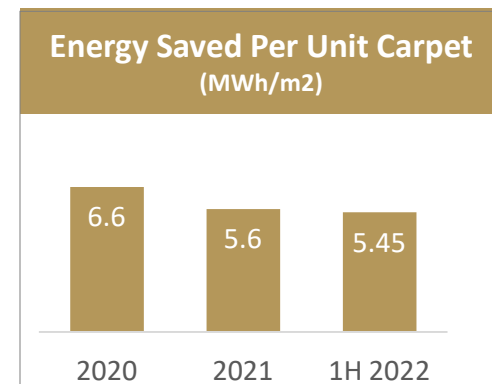
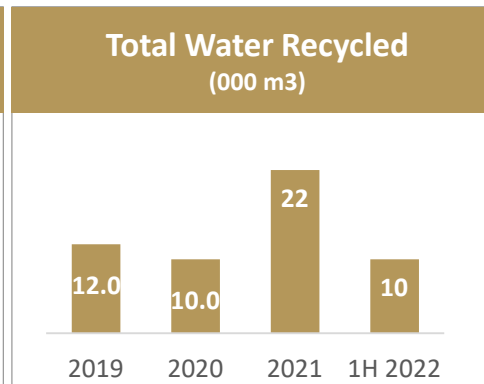
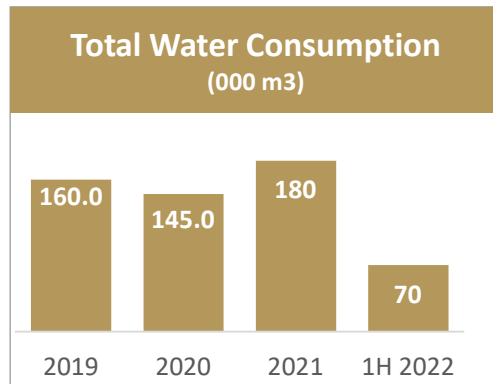
Energy Consumption



Carbon Emissions



Water Consumption



The increase in KPIs is due to increase in production as the facilities were operating in full capacity

Environment (3 of 5)

Solid Waste Generation by Type & Weight

The Group generates solid waste is approximately 3000 tons per from different industrial process such as synthetic fiber and carpet manufacturing. Approximately 30 % of this generated waste is recycled internally or sold to a sister company to be used as a raw materials for production

Waste type	Ton/yr	Recycling
Poly propylene yarn waste	160	Internally
Polyester yarn waste	120	Internally
Polyethylene waste	120	Internally
Wooden pallet	1,200 counts	Internally
Carpet solid waste	280	Externally (sold)
Cartoon waste	80	Externally (sold)
Yarn waste	400	Externally (sold)



Environment (4 of 5)

Climate Change

OW monitors, assesses and specifies the following risks and opportunities related to climate change and consistently works to contribute to the mitigation in climate change mitigation through the investment in new technologies, energy efficient equipment, recycling process and staff learning. The Group has developed an Emergency Committee that is responsible for all emergencies, including any related climate change risks



Identified Risks



Water Supply

Any affect on the Nile basin, which supplies c.95% of the water consumed in Egypt, coupled with high population growth rates, could significantly impact Egypt's water supply, which would directly impact the business



Machinery Damage

OW's machines, buildings and infrastructure can be vulnerable to climate change and can be damaged or rendered unfit for use by any changing climatic condition or extreme weather event such extreme precipitation/floods, or high temperatures



Human Health

Rising temperatures have consequences for arduous working conditions, related to a direct impact on occupational risks (discomfort, dehydration, heat strokes, etc.), and an indirect impact, such as chemical risks associated with the inhalation of volatile substances.



Agriculture

Rising temperatures or possible heavy rains and flooding in the low-lying delta of the river Nile, which supplies much of Egypt's agricultural needs, could lead to considerable loss of agricultural lands.

Environmental Initiatives (5of 5)

In March 2022- The inauguration of a solar power plant above OW's Alexandria showroom

A continuation of OW's efforts in achieving the sustainable development goals. Oriental Weavers has initiated its transformation towards clean and renewable energy by the inauguration of its first-ever solar plant in Alexandria. The plant operates at a capacity of 259 KWh and is expected to generate over 520 MWh and eliminate up to 262 tons of CO2 emissions every year. its located above OW's Alexandria Showroom



Planting Trees in Egypt and UK

In its local market, Oriental Weavers has collaborated with its real estate arm to launch a tree planting initiative, with the goal to plant a total of one million trees by the end of 2025. So far, Oriental Weavers has successfully planted around 403K trees, leading to an annual carbon footprint reduction of over 20.7K tons.

Internationally, the Group's hospitality arm has joined a UK-based initiative that gives customers the opportunity to plant a tree with every meter of carpet they purchase. This initiative aims to contribute to the planting of 10K trees by the end of 2022.



Overview

In line with



The company adheres to industry best practices in terms of employment contracts, wages, benefits, policies, working hours and gender nondiscrimination, exceeding domestic requirements and complying with international standards. When it comes to its people, Oriental Weavers's HSE policy falls in line with both Egyptian Labor Law as well as the US' Occupational Safety & Health Administration (OSHA) and the International Labor Organization (ILO).

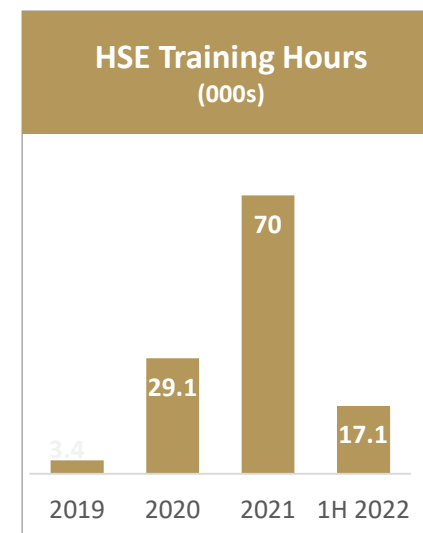
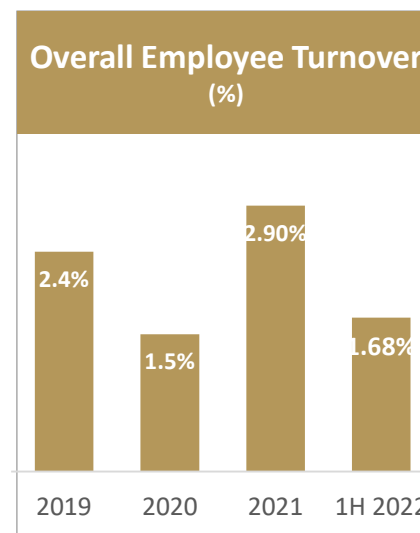
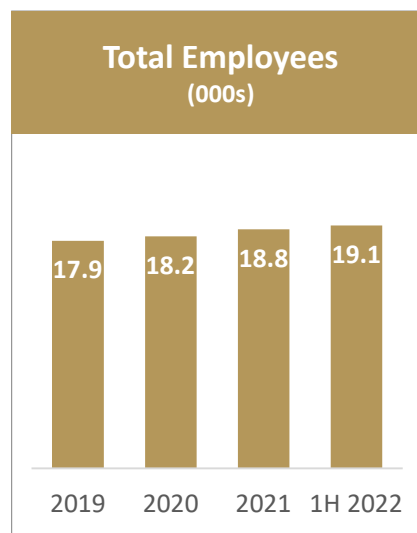


Our Code of Professional & Ethical Conduct

Oriental Weavers developed and implemented Code of Ethical and Professional Conduct, that is inline with both; International agreements and best practices, and Local laws and regulations. Multiple seminars and awareness sessions were conducted across OW departments to raise awareness and compliance with the code. The new code sets the expectations of OW and its stakeholders and reflects OW's core values:

**Integrity, Responsibility & Commitment
Innovation, & Customer-Centric**

Workforce KPIs



Social (2 of 3)

Our Policies

Health and Safety

Oriental Weavers is committed to providing a safe work environment and is equipped with the tools and procedures for the prevention of occupational accidents. This includes firefighting and first aid, the provision of emergency phone numbers for hospitals and educating our employees with the necessary HSE training at the Group's various sites, **with 17 thousand HSE training hours provided in 1H 2022.**

Child & Forced Labour

Oriental Weavers adheres to the **International Declaration of Human Rights** and maintains a set of transparent human resources policies and procedures for management and employees, **as well as with our suppliers and service providers**, to ensuring no form of forced or child labor.

Sexual Harassment

Oriental Weavers is committed to providing a safe environment for all its employees, and implements **zero-tolerance policy for any form of sexual harassment**. The Group treats all incidents seriously and promptly investigate all allegations. Any person found to have engaged in sexual harassment will face disciplinary action, up to and including dismissal.

Anti-bribery / Anti-corruption (ABAC)

Oriental Weavers **does not offer or offer, directly or indirectly, anything of value to a third party**, including any government agency, to unethically influence any business decision they should make or to gain an unfair advantage. OW has a whistleblowing mechanism, where all complaints are directly reported to the chairman. Investigations are implemented by an investigation committee to resolve the matter.

Anti-discrimination

Oriental Weavers is committed to providing a workplace **free of discrimination in all its forms** between employees, whether on the basis of religion, color, shape, gender, race, marital status, age or capabilities. **Everyone is equal in rights in terms of wages, salaries, benefits and working conditions.**

Oriental Weavers Academy

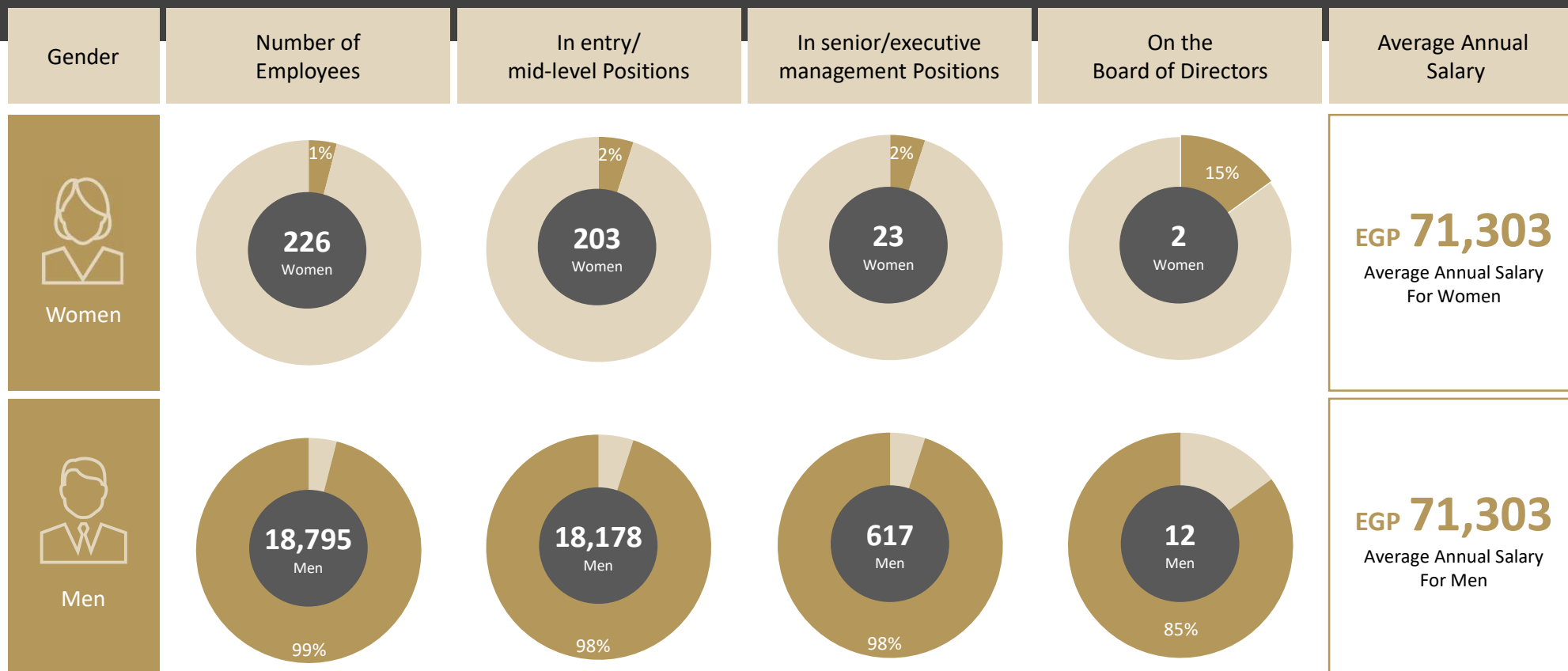
Oriental Weavers provides its employees with world-class specialized education and training in-house through tailored training courses held at its own Oriental Weavers Academy.

Number of Employees who have completed Training in 1H 2022 YTD by Subject



Governance (1 of 3)

Gender-Based KPIs | 1H 2022



100% of ORWE employees work full-time

Governance (2 of 3)

With more than 20 years served with Oriental Weavers, the Group's world-class executive management team, many of whom also serve on OW's board of directors, have been instrumental in the Group's long-term success, with each member contributing in their own way to develop OW into a leading global producer in the machine-made carpets.

Key Select Executive Management Team & Board Members

Results-driven Leadership



<p>Mohamed Mahmoud Fawzi Khamis Executive Board Member, MD for Development Affairs</p> <p>Managed and completed the extensive development of OW's domestic distribution network, leading to a marked increase in the company's domestic market share.</p>	<p>Farida Mohamed Farid Khamis Non- Executive Board Member</p> <p>Serves as board member for a number of OW subsidiaries, completed training sessions at Citibank in New York and EFG Hermes, and is a member of numerous business organization.</p>	<p>Amr Mahmoud Fawzy Khamis Executive Board Member, MD for Manufacturing</p> <p>Specializes in planning, sales and marketing activities, and was instrumental in growing and developing the operations of OW and was intricately involved in supply chain and production management.</p>	<p>Dr. Khaled Abdel Aziz Hegazy Non- Executive board Member</p> <p>Dr. Khaled A. Hegazy, is a founding member of Hegazy Consult providing professional management advisory services, and Crowe Hegazy, a professional accounting firm.</p>	<p>Ashraf Bakry Non- Executive board Member</p> <p>Ashraf Bakry is a board member and the Vice President of Future Fit Operations of Unilever in the North Africa and Middle East region. He has over 25 years of experience in both Supply Chain and General Management in multinational organizations</p>	<p>Ayman Ismail Non- Executive board Member</p> <p>Ayman is a Harvard graduate received numerous global awards for his leadership, strategic thinking and marketing achievements. After 26 years at P&G and PepsiCo, Ayman joined Mountain View as the Co-Founder, Chairman & CEO to lead the expansion of the group business</p>
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Overview

While there is no set impact/investing policy framework, the Group has made significant donation to both the healthcare and education sectors, alongside other charities and has participated in a number of private/public sector initiatives geared towards social development

Healthcare



Oriental Weavers supports the activities of several nonprofit medical organizations in Egypt such as NGO and governmental hospital in its conviction that the most vulnerable people have equal access to suitable healthcare

The Khamis Family owns its own hospital "Khamis Hospital" that dedicates half of its profits to charity cases. EGP 10 million were injected into the hospital in early 2022 to fund its renovation- a new CT unit was established- new OR , laboratories, IC unit, blood bank and a children unit .

OW has been donating medical equipment to both public and NGO hospitals, both before and during COVID -19 pandemic, supporting the healthcare sectors' needs during the crisis

OW has built, prepared and equipped a number of medical units and hospitals in Egyptian villages (Kafr Al-Sheikh, Belbees and others)

Education



Oriental Weavers recognizes the importance of high-quality education and has been teaming up with the Ministry of Education and other organizations for the betterment of society

OW has sponsored 300 students through a program titled "Top 100 students", in cooperation with the Ministry of Education, which provides full financial and moral support to 1) the highest-ranking secondary school graduates for their journey into university and 2) the highest-ranking elementary school graduates for their foray into secondary school. The program has been running for the past 17 years

OW partnered with other organizations for summer training and interns programs for engineering students at the Group's production facilities

Inkind donations: OW provided wall to wall covering to number of Mosques in addition to thousands of homes within Hayah Karema program.

Others



Oriental Weavers has partnered with various public charities to improve the quality of life for the disabled alongside other initiatives aimed to provide equitable opportunities to the Egyptian population

OW has helped people with disabilities by providing them the necessary equipment to live a high-quality life with equitable opportunities. The Group has its own unit for speech delay services

OW Partnered with Tahya Misr, a government-led charity, on a number of initiatives to help the underprivileged and underserved.

OW provided financial support to hundreds of Families in addition to the distribution of Ramadan boxes during Ramadan. OW joined efforts with Egyptian Clothing Bank to help families in need with Winter blankets and clothes within "إيد الدفا" campaign. The Campaign covered thousands of families across Sharkeya governorate.