

Global Compact

Communication on Progress

Presented by Hashem Brothers Co for
Essential oils and Aromatic products / Egypt

June 2005

Part I

C O P

Hashem Brothers Co. for essential oils and aromatic products is committed to the United Nations Global Compact. Since the company joined the compact in Feb 2004, the 10 principles of the compact became an integral part of our corporate philosophy. We are aware of our responsibility toward the society and will continue to play an active role in the diffusion of the Global Compact principles within our sphere of influence.

Alaa Hashem
President

Human rights

1- Business should support and respect the protection of internationally proclaimed human rights.

- Human rights policies are incorporated into Hashem Brothers code of business conduct.

2 – Business should make sure that they are not complicit in human rights abuses.

- All our supply chain is already free from any human right abuses

Labour Standards

3 – The freedom of association and the effective recognition of the right to collective bargaining

- Our company respects the freedom of association and upholds the effective recognition of the right of collective bargaining
- A number of our employees are already members in labour unions; the non-members are encouraged by the top management to join labour unions or syndicates.
- Effective Feb 2005 a new place has been build next to our factory to host all labour gatherings and meetings.

4 – The elimination of all forms of forced and compulsory labour

- The employees of Hashem Brothers co. have freely chosen their employment and are free to leave the company upon due notice.

5 – The effective abolition of child labour

* Our company does not use child labour (i.e. children under the age of 15 years in accordance with international labor organization – ILO – convention 138). Shifting into the organic concepts in production and agriculture in the year 2001, Hashem Brothers Company had to ensure that all its supply chain is free from the use of any child labour.

This was an easy task to apply in our plantations and factory, as our factory is situated in Kalyoubyea (50 km north of Cairo), where the rate of education and income are rather high if compared to other Egyptian rural areas. Families living in our area in general do not tend to send their children to work in the fields.

Case 1

An integral part of our company philosophy is trying to demolish the phenomena of child labor in Egyptian Agricultural sector and combating the main reasons for this phenomenon. For that purpose, we have hired an independent social consultant who has an extensive experience in the field work research. In order to identify the reasons for this phenomena and to guide us to the proper way to gradually eradicate this problem. The study was based on our previous supply chain of raw materials especially the suppliers who were using child labour.

The study showed that working children on our previous supply chain come mostly from the poorest villages of the delta. Most parents were illiterate and suffering from unemployment or in some cases worked as seasonal wage workers in fields.

After identifying the problem, our company thought of several ways to solve this problem. In order not to be disappointed, we have focused on one area or one small village who was among the lowest income and highest parents unemployment rate.

Our main target was to economically empower the unemployed parents of the working children and at the same time serving our industry to be more and more environmentally friendly.

[See pictures](#)



This village has a big number of Palms



It is well known that since time of pharos Palm straw is used for fabrication of many household furnishes.



We sponsored several families in that village to make trays made of the palm twigs to be bought by our company. Thus, providing a new source of income for these families. The remaining leaves are used to make small baskets which the farmers attach to their belts to put in the collected flowers at our farm.

Case 2

Having on top of our Social responsibility agenda the eradication of the phenomena of child labor in Egypt, Hashem Brothers expanded its effort to reach every aspect leading the rise of this phenomena. **Illiteracy** and **Poverty** were the main players behind the rise of this phenomena. Economical and Cultural empowerment of people is the focal starting point for developing any society. Therefore, our company has decided to contribute actively in the field of illiteracy eradication.

For that reason we have contacted the Egyptian ministry of Communication and particularly the ITC program for illiteracy eradication (a project funded by the UNDP/Egypt), in order to implement the project at our production site in Kalyoubeya. The program mainly focuses on demolishing illiteracy through the use of technology, i.e. via special CD's tailored to demolish illiteracy of Egyptians. Our company has prepared the place for a small computer lab as a starting point. The program will start next month and we are hoping to be able to serve the biggest number of illiterate people living in the areas surrounding our production site. More details will be available in next year communication on progress report.

Finally, our company will work next year with the global compact committee in Egypt to spread this project among other Egyptian companies.

6 – The elimination of the discrimination in respect of employment and occupation

- In relation to recruitment or conditions of employment, our company does not engage in a support discrimination based on race, caste, national origin, religion, disability, gender, union membership or political affiliation.

Environment:

7 – Business should support a precautionary approach to environmental challenges.

8 – Business should undertake initiatives to promote greater environmental responsibility

This year, with collaboration with “the Egyptian Association for Environment and Community Services” (Reg. No 1551/2001 Guizeh) - an active Egyptian NGO in the field of environment - we have launched a campaign for tree cultivation in Cairo (one of the most polluted cities of the world) with the help of the ministry of Agriculture and The Giza Governor.

The Egyptian Environmental Association was able to reduce the cost of cultivation for each tree in the streets of Cairo in order to encourage the biggest member of individuals or companies to financially contribute in that important project.

Hashem Brothers Co. as an active partner with (the Egyptian Association for Environment and Community services) contributed in the awareness campaign for that project as well as many workshops aiming at building awareness among individuals in Egypt of the importance of green areas inside the crowded cities.

As our office is situated in Mohandessin area (Part of greater Cairo) {Cairo, Giza and Parts of Kalyoubyea} we have chosen to plant our trees next to our office area

[See pictures](#)



Members of The Egyptian association for Environment and Community services gathered for the tree plantation at Al Batal Ahmed Abd El Aziz Street - Mohandessin -Egypt (May 2005)



The car carrying the trees



Everything is now ready for the process



The president of the association standing with our company representative



Trees were planted



Trees were successfully planted

9 – Business should encourage the development and diffusion of environmentally friendly technologies.

We support and promote the diffusion of the organic and Biodynamic concepts in agriculture and production process among other Egyptian companies working in the same business.

10 – Business should work against all forms of corruption, including extortion and bribery.

Hashem Brothers co. support the anti-Corruption initiatives through on internal code of business conduct.

However, the company intends to organize training program to support this concept, mainly through tailoring workshops for our employees and as well as members from our supply chain.

Part III

“The UN Global Compact is an international initiative that brings together companies, UN agencies and labour and civil society organizations in support of ten principles covering human rights, labour and environment. The ten principles are based on the Universal Declaration of Human Rights; the International Labour Organization’s Declaration of the Fundamental Principles and rights at work; and the Rio Declaration on Environment and Development.”

As a member of the Global Compact, We believe that our business policies incorporate the ten principles since we participate in the Global Compact meetings and workshops.

Below is an index to our performance in living the ten principles. More information and data are available throughout this report and will be shortly published on our website. (www.hashembrothers.com)

Global Compact Principles	Corresponding GRI indicators
1. Business should support and respect the protection of international proclaimed human rights within their sphere of influence	HR1, HR2,HR3,HR4
2. Business should make sue that sure that they are not complicit in human rights abuses	HR2, HR3
3. Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.	HR5, LA3, LA4
4. Businesses should uphold the elimination of all forms of forced and compulsory labour	HR7
5. Business should uphold the abolition of child labour.	HR6
6. Business should eliminate discrimination in respect of employment and occupation.	HR4, LA10, LA11
7. Business should support a precautionary approach to environmental challenges.	3.13
8. Business should undertake initiatives to promote greater environmental responsibility	EN1, EN2, EN3, EN4, EN5, EN6
9. business should encourage the development and diffusion of environmental	EN17
10 – Business should work against all forms of corruption, including extortion and bribery.	