

Annual Environmental & Social Summary Report

Damietta Alliance E&S Successes

2024



Executive Summary

As Egypt undergoes an ambitious modernization effort for all ports around the country, Damietta Alliance Container Terminals (DACT) is considered a significant part of these efforts. Corporate accountability and stakeholder engagement has become increasingly important to communicate with the wide base of stakeholders in the communities around the project. Through an environmental and social strategy, DACT succeeded in forming reliable channels of communication with residents around the project and supporting their well-being through a reliable environmental strategy as well as several community and stakeholders engagement activities.

In the last year (2024) DACT has

- Invested more than **USD 20K** to provide food bags to **1500** families in the surrounding areas, Kafr El Bateikh and Sananya.
- Worked with **5** community-based associations and **4** governmental entities in Damietta to strengthen capacity and foster local linkages
- Provided jobs to **55** persons as DACT's direct hires, **262** hired for the main contractor (ROWAD), and **32** as service providers of the equipment. All performed **906352** safe working hours.
- Contracted a local sewing workshop 100 % operated by women (Single mothers & widows) to fabricate **200** linen bags used to distribute seasonal gifts for the internal and external stakeholders.
- Co-sponsored women employment fair for Damietta women in collaboration with ROWAD, the national Council for Women, and Damietta governorate.
- Safely handled all types of wastes generated during the reported period, **2913.24 Kg** of hazardous waste and **24106.34 Kg** on non-Hazardous waste.
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SWOT analysis, stakeholder mapping and community needs assessment were used to identify the most influential actors and pressing demands of surrounding communities. Then, through informing meetings, project facts were addressed to create positive social perception. A monitoring process and ongoing dialogue to maintain timely feedback are on place with the different community active actors.

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Introduction

In early 2022, Damietta Alliance Container Terminals (DACT) started its construction activities Damietta port, Egypt. There was a need to start evaluating the possible environmental and social impacts of the project to better prepare the mitigation and intervention plans. DACT has created many policies and procedures that address these elements and Set proper monitoring and evaluation mechanisms to track progress and detect any malfunctions to correct them directly. This document is a summary of the successes that have been accomplished so far during 2024, it explains how they were Done and provides a future look for what needs to be done.

Human Resources

During the reporting period, the Project has witnessed hiring good numbers of employees either for the Company or for the Contractor and the affiliated subcontractors. A total number of 317 (direct and indirect) have been hired and delivered 906352 safe working hours. No collective dismissal, actual or planned, took place during this period. Employees and workers have received training on the code of conduct and grievance mechanism as well as their engagement, 938 individuals have already received such training. DACT believes in equal opportunities and very keen on providing fair work environment, thus many managerial positions are occupied by females as well as other positions.

Health and Safety

During the reporting period Health and Safety training has been provided to employees and contractors on Safety induction, MSDS, ergonomics, PPE, firefighting, first aid, chemical hazards, housekeeping, work permits emergency response, working at height, safe work environment, hot work, defensive driving and flag man, electrical safety, lifting safety, manual handling, welding & cutting.

H&S inspections / audits

- Site walkdown (by contractor management)
- Equipment inspection (third parties)
- Monthly inspections by safety supervisors: Fire extinguishers, vehicles, power tools, accommodation safety inspection, stores, clinic.
- Daily inspections by safety supervisor: electrical Pannels, scaffold, working site before each work permit, equipment.

Inspections by consultant (IL):

- H&S implementation monitor (monthly)
- Daily site inspections.
- Participate in the monthly walk-through.
- Gape analysis report.

Stakeholder Engagement

During the reporting period, DACT has engaged with many external stakeholders to introduce the company and inform them with the correct information on the project. Those stakeholders are:

- Damietta Governor
- Sananya Mayor
- Manar El Sabeel NGO
- Orthodox Church Pop
- Sananya City Hall Head
- Rahma Center
- National Council for Women
- Horus University in Egypt

There were some public events that DACT has either sponsored or participated in, these events are:

- Ramadan Food Boxes distribution for the community of Sananya
- Ramadan Food Boxes distribution for the community of Kafr El Bateikh
- Ramadan Food Boxes distribution for the community of Ezbat El Borg
- Women Employment Fair for Damietta women
- Clean up initiative at a shipyard at Ezbat El Borg

Target Areas

DACT is being constructed near two areas in Damietta known as Kafr El-Bateikh and Sananya. The populations of Kafr El Bateikh and Sananya are about 120,000 and 70,000, respectively with agriculture and carpentry being the main sources of income.

The DACT community outreach program was initiated in Kafr El Bateikh and Sananya through extensive information meetings and events. This proved to be a successful strategy which paved the way for future collaboration in these communities. Today several community leaders from these areas have positive views and are willing to support DACT's activities and presence.



Engaging Local Communities

Strength, Weaknesses, Opportunities & Threats (SWOT)

In early 2023 DACT conducted a SWOT analysis to identify the main strengths, weaknesses, opportunities and threats it faced. Key among the SWOT findings was the social situation surrounding DACT facilities.

There were few channels for dialogue which made it very difficult to detect the needs and concerns of these communities and ensure accurate information is conveyed about the company.

To move forward, DACT had to leverage the personal ties of employees to the community and develop a non-bias platform to reach stakeholders and influential leaders. The willingness to work with a broad spectrum of political views and ideologies was an essential starting point to build credibility and begin working with surrounding communities.

Stakeholder Mapping

A process of stakeholder mapping was used to identify the important groups, associations and community leaders in the target areas. Through the community outreach program acceptance and support for DACT grew in both Kafr El Bateikh and Sananya.

After the stakeholder mapping exercise, it was decided that DACT would work primarily with local NGOs and associations along with other specialized entities like the National Council for Women. This target group was selected for several reasons; civil society groups were trusted to serve public interests. In addition, it was found that NGO leaders were generally well regarded and often had significant influence over community decisions and outlook. These organizations were the most direct and trusted link to the Kafr El Bateikh and Sananya communities.

Trust Building



DACT was committed to conduct extensive personal visits to community members to establish rapport and build credibility, particularly with influential figures and leaders. This process took several months to build trust with the community. Through these tours specific questions, concerns or misconceptions from the community were directly addressed. A critical message that was conveyed is the commitment of DACT to Exceed environmental standards and work constructively with society.

Waste Management

- The solid non-hazardous waste is collected and transported outside the site by the licensed company.
- Organic waste gets recycled at the Abu-Grifa recycling factory, a governmental recycling factory.
- Cartoons, paper, and plastics are recycled by the licensed company Star Silver.
- Medical hazardous waste is transported by a Licensed company and incinerated in the central medical incinerator in Damietta governorate by the Ministry of Health.
- Used industrial oils are collected and delivered to the authorized recycling company inside the port owned by the Ministry of petroleum.
- Another hazardous waste (filters, contaminated soil, empty containers ...etc) is collected and transported to the landfill site in Damietta city.

Resource Efficiency Improvements

- Waste segregation (Plastic, Paper, Metal, and Organic) is a fundamental basis of resource efficiency and reuse.
- All reusable waste (Paper and Cartoon, Plastic) is collected and transported by certified companies to certified recycling factories.

- Continuous awareness activities are carried out by the main contractor, Consultancy firm, and DACT team for the reduction of the water, electricity, and other resources' consumption.
- Most of the excavation clay is reused by the DPA to new berths soil filling, and low land leveling. (More than 30 K cubic meters of clay has been reused by DPA).

Security Management

During the reporting period, DACT has contracted a security contractor to provide security services for the company's different locations 24/7. The deployment of security guards helps in providing good security services in collaboration with the Damietta Port Police Department. The service includes both active and passive deterrence to assure a comprehensive integrated performance.

Conclusions

- The communities near DACT are now much more aware of the company's activities, its policies toward the environment and its commitment to socially responsible practices which are transparent, accountable and follow international guidelines. Over time however, the DACT approach was hailed for adhering to high ethical standards and targeting long term community development. Today community members are aware of DACT's CSR future investment guidelines. DACT is committed to working with all groups regardless of their political, religious or social background to serve the greater interests of the community.
- A key ingredient to the success of DACT was its sensitivity and understanding of the local culture and context. For example, during the holy month of Ramadan, working with 5 local NGOs to distribute food supplies helped establish rapport with the local community. Giving food during Ramadan is a common practice in Egypt and showed awareness of the local culture. It also created an excellent opportunity for communication with the community.
- As a result of DACT's outreach and development efforts, members of the community began change their ideas about the sustainable approach of community development initiatives. Many partners and influential figures began to understand - through DACT approach
- the importance of long-term community development strategies as opposed to traditional philanthropic or charity projects.
- DACT is very keen to establish and maintain a fair inclusive work environment that is competitive and firmly stops and opposes any form of discrimination. Women are empowered and are provided with just opportunities to develop.
- HR practices are varied and assure a healthy professional work environment
- DACT strictly adheres to the best global standards in relation to environmental performance and will continue to adopt them to excel every aspect of project's environmental footprint.
- There is a continuous monitoring process to oversee the Contractor and sub-contractors' overall HSE performance to guarantee that all applicable standards are in place.

What's Next?

- DACT will maintain an ongoing dialogue with stakeholders while expanding its outreach to work with new stakeholders and community partners.
- Future funding will focus on capacity building programs, soft skills and equipment provision in the areas of education, environment and health.
- Involving DACT employees in the outreach program and using their skills and expertise (for example, English language teaching, computer skills) to serve local communities.
- DACT will always look for ways to keep environmental performance at the peak and apply extra enhancements to achieve this goal.
- Internal audits and analysis will be applied regularly to find any environmental or HSE gaps and correct them on the spot.
- DACT will sustain and enhance the dialogue with all stakeholders (internally & externally) to detect any concern / complaint related to the project's environmental performance and handle them properly.