



TCI Sanmar Chemicals S.A.E
شركة سانمار الكيماويات ش.م.ع.

9th of August 2017

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Mr. Malik Habayeb

Middle East Researcher and Outreach Assistant

Business & Human Rights Resource Centre

Dear Mr. Habayeb,

Greetings,

With reference to your email dated 3rd of August 2017 and the attached Article published by Al "Arabi Al Gadeed" newspaper on 2nd of June 2017.

We would like to thank you for allowing us an opportunity to present our response to the offensive and groundless allegations made by a few former employees of TCI Sanmar who participated in serious violations to the Egyptian Labor Law and internal regulations of the company.

TCI Sanmar Chemicals has now completed ten years operation and has grown to be one of the largest Petrochemicals production facilities in the MENA region and the biggest Indian investment in the Arab Republic of Egypt totaling at USD 1.5 Billion and sourcing livelihood for more than 3,000 direct and indirect employees.

TCI Sanmar is very much involved in promoting and maintaining the highest levels of compliance with the legal and regulatory frame work applicable in Egypt, with particular consideration to the environmental standards and the standards related to the safety and health of the employees and the residents of surrounding areas. In this regard, TCI Sanmar has adopted several measures and polices manifesting its approach to maintain its continuous development while preserving professional integrity and contribute to the social development of Port Said Governorate. These measures are briefly mentioned herein below:

I. Environment Protection compliance:

- a. TCI Sanmar is in full compliance with all applicable Egyptian laws and regulations regarding environment protection and continues to adopt and implement extra protection measures to minimize and eliminate any potential effects to the environment.

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- b. TCI Sanmar continuously updates its technology and as a result it is able to maintain the most effective utilization of Energy and natural resources which has a direct impact on limiting the negative effect on the environment by saving energy and natural resources.
- c. TCI Sanmar adopts the most developed techniques for recycling wastes, in accordance with the international standards which is more evolved and stricter than the standards required by the Egyptian laws and regulations.
- d. TCI Sanmar operates a state of the art waste water treatment facility (Zero Liquid Discharge plant) which significantly limits waste water and works on providing processed waste water which is usable in many operations of the plant.
- e. TCI Sanmar has implemented and is currently operating a surveillance system for monitoring the vapor/gas emissions, this system is completely automated and directly linked through internet connection to the Environment Affairs Agency, which has full access to all results and records of the system and closely monitoring the compliance of the plant with applicable standards for safe vapor emissions in association with official laboratories and laboratories of the governmental universities.
- f. TCI Sanmar has undertaken the statutorily required environmental impact analysis for all the facilities and establishments within its plant, and all the analysis results were verified and approved by the Environment Affairs Agency.
- g. TCI Sanmar is under close supervision of the Environment Affairs Agency, in this regard, TCI Sanmar was formally inspected by the Environment Affairs Agency 7 times during the first half of 2017, and the Agency has concluded that no violations exist in the plant of TCI Sanmar.
- h. In March 2017, a special committee, constituted of Environment Affairs Agency, Port Said Governorate, Occupational Health and Safety Department of the Ministry of Man Power, representatives of the Egyptian Parliament and university professors, has inspected the plant and concluded that no violations existed and was impressed with the plan implemented by TCI Sanmar for the development of the safety and environment protection measures.
- i. TCI Sanmar has presented to the Environment Affairs Agency a plan for additional environment protection, which included several plans to increase the green cover in neighboring areas, and establishment of plantation in the area between the plant and nearby residential buildings. The plan submitted by TCI Sanmar was recently approved by the Environment Affairs Agency.
- j. Finally, TCI Sanmar is currently working and coordinating with the best consultation offices to acquire the ISO certificates in the area of environment protections and occupational safety and health.

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II. Policies of Social Responsibility towards employees:

- a. TCI Sanmar provides to all its employees a comprehensive high end health care program through the best medical care providers, for the purpose of maintaining the health and fitness of its employees.
- b. TCI Sanmar undertakes a periodic medical check up to all its employees and keeps a data base with the medical record of all its employees for the purpose of providing full health care and medical support and maintain early detection and treatment of any chronic non-occupational diseases.
- c. Being an epidemic disease in Egypt which have the highest rates of infection and despite not being an occupational disease, TCI Sanmar has examined all its employees for hepatitis C and provided a completely free treatment to all affected employees until fully treated. In late 2016, TCI Sanmar plant was announced as completely free of hepatitis C, which is an unprecedented practice of any company despite the wide spread of this disease and its devastating effects.
- d. TCI Sanmar provides, through its resident physician, a periodic training for general medical awareness against chronic and common diseases.
- e. TCI Sanmar provides regular training sessions to increase the awareness of the employees of occupational hazards and diseases and the applicable safety and protection measures.
- f. Finally, the Egyptian Ministry of Health, General Authority for Health Insurance, Occupational Diseases Department has issued a formal report for the year 2016 declaring TCI Sanmar plant to be free of any occupational diseases.

III. Occupational safety and health:

- a. TCI Sanmar is strictly applying the highest standards of occupational safety and health and regularly provides training session and programs to all its employees and provides the best safety and health gear.
- b. TCI Sanmar has applied the best firefighting systems to predict and extinguish fires.

IV. Social Contributions:

- a. As part of TCI Sanmar's continues development, it has been increasingly involved in social contributions aiming at developing the neighboring areas in the Governorate of Port Said. In this regard, TCI Sanmar is contributing into the comprehensive social development of the neighboring areas by presenting contributions into programs offering education, training and technical and financial support.

- b. TCI Sanmar is giving special attention to the area of “Al Kabooty”, which is considered among the most in need areas.
- c. TCI Sanmar has established and is currently maintaining a green area between the plant and nearest residential area, with total area of 33,000 square meter, and is currently studying the project of establishing a trees fence around the plant which shall also protect the surrounding environment and provide a more beautiful scenery to the area.
- d. Finally, TCI Sanmar is currently undertaking a huge project to lay roads in and around the Plant.

In light of the above information, which is fully documented and evidenced, we believe that it is clear that all statements presented in the mentioned Article on behalf of few of the former employees of TCI Sanmar are mere false and outrageous statements made by former employees for the sole purpose of distorting the truth and extorting their way back into TCI Sanmar with undeserved financial benefits and entitlements. Nevertheless, we find it essential to provide a brief clarification to three points raised by these employees, which might help clear the picture for your good selves:

- A. The deceased employee, Mr. Mohamed Ahmed Al Belessy, who passed away on 24/7/2016 as a result of an occupational incident, was working as an employee of the Egyptian Maintenance Company, a contractor undertaking maintenance work in the plant of TCI Sanmar. All the formal and internal investigations and the police report and coroner report proves that the deceased passed away as a result of suffocation and not in a “Huge Explosion” as falsely claimed. All investigations undertaken in this regard proved that the main cause of the incident was the deceased employees entrance into a column to undertake maintenance job which was assigned to the maintenance contractor without taking the necessary safety measures applied by the company, which was assigned and supervised by the maintenance contractor and its engineers and not by TCI Sanmar.
- B. Mr. Essam Al Said, which the attached article falsely claim to have been injured in an explosion due to negligence did not sustain any work incident or occupational disease and was actually being treated from an non-occupational chronic illness and although his full treatment was in excess of the medical insurance coverage provided by the company, TCI Sanmar decided to make an exception and incurred the additional cost of the treatment.
- C. Finally, the attached article claims that all pubic authorities are conspiring with TCI Sanmar to cover up huge violations to the environment and the health and safety standards, involving corruption vis-à-vis the personnel of the Environment Protection Agency, Port Said Governorate, Parliament members and university professors, which is an illogical and outrageous accusation.

The allegations contained in the article published by Al "Arabi Al Gadeed" newspaper, are therefore baseless and have been fabricated by a few former employees who were involved in violating the Egyptian Labor Laws and Internal regulations of the company.

On a final note, we hope that our above submissions have clearly and duly conveyed our views on the allegations presented to you and we invite you to visit the plant of TCI Sanmar to examine the situation first hand and further investigate the matter. Moreover, we urge you to contact all concerned public authorities who will confirm all statements made in this letter.

Sincerely,

For TCI Sanmar Chemicals S.A.E



P S Jayaraman

Chairman

