



Communication on Progress Year: 2011

Statement of Continued Support of the UN Global Compact

At Complast Industries Ltd, we have upheld Corporate citizenship since incorporation. We know the importance of corporate citizenship as it not only benefits us the Shareholders, but also our employees, customers and all stakeholders.

Complast Industries Ltd has also continuously produced quality and affordable products that have great impact on lives of Kenyan citizens and the global market at large. Particular emphasis is given to bottom of the pyramid market.

We are committed to the ten principles of UN Global Compact in respect to Human rights, Labour rights, Environment and Anti-corruption.

18.01.2012, Nizar Hemraj, Managing Director

Company name:	Complast Industries Limited
Sector:	Plastic and Rubber
Number of employees:	145
UN Global Compact signatory since:	09.01.2009
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Brief description of nature of business

Complast Industries Ltd, is a Kenyan resident private limited company, with its registered office and plant situated on Nadume Rd, 06 (Off Lunga Lunga Rd.), Industrial area, Nairobi. Established in 1995 as part of multinational group with operations in Angola and DRC, our operations have since continued to grow and today, we cater for not only Kenyan market but also east and central Africa.

We were the first company in East Africa to use the mono block injection moulding technology in the manufacturing of plastic furniture. We are the pioneers in the manufacturing of plastic furniture in this region. In addition to furniture, we also manufacture plastic household items, such as buckets and basins. Our larger items include crates and general purpose bins.

- August 1994** : Complast Industries Ltd was formed
- December 1995** : Started Production
- March 1998** : Partnered with Coca Cola Africa in marketing Coke –Branded furniture.
- May 2001** : Achieved certification of Diamond mark of Quality - KBS Kenya
- March 2006** : Partnered with East African Breweries in supplying branded furniture.
- January 2007** : Partnered with Celtel Malawi in marketing Celtel – Branded Tables
- June 2007** : Formed strategic partnership with DCS Group of Denmark, through support from DANIDA.
- July 2008** : Enrolled for the certification program with Bureau VERITAS.
- December 2008** : Achieved ISO 9001:2000 Certification. B.V - Certificate No. IND81349
- August 2009** : Participating Member of United Nations Global Compact – Worlds Largest Corporate citizenship Initiative.
- July 2010** : Upgrade to ISO 9001:2008.
- October 2011** : Received Award for the KPMG Top 100 Companies. Ranked No. 42 out of 100.

Scope of this COP

This COP covers Complast existing internal and external relations with all the stakeholders, namely employees, customers, suppliers and directors.

Human Rights

UN Global Compact principles covered:

Principle 1: Business should support and respect the protection of internationally proclaimed human rights

Principle 2: Business should ensure that they are not complicit in human rights abuses

Commitment

The Company has a primary duty to uphold the proclaimed human rights, i.e. respect, protect, promote and fulfil the fundamental freedom of all its stakeholders.

A brief description of our Processes or Systems

At Complast Industries Ltd, we have a human resource department that is entrusted with the responsibility to ensure that all the requirements of Factory Act and workplace rules are complied. This include among others, safety, health and welfare of its employees. All heads of department also have to oversee implementation of the same.

Activities implemented in the last year

- Offering free meals to all the members of staff both management and factory workers.
- All casual employees made permanent. As at end of 2011, Complast had no casual employees.
- Provision of safety kits and equipments.
- Annual medical examination, carried out risk assessment of our factory, staff training in First Aid and Fire Fighting.

Measurement of outcomes and value added for our company

- We had only two major injuries.
- We have no records of 'Bullying.
- No occupational diseases.
- No records of sexual Harassment.

**Human Rights
Current**

Activities planned for next year

- Annual occupational safety and health audit.
- CSR programme to support neglected slum community.
- 100% compliance with Environmental 'NEMA' requirements.
- Training of Quality System, Auditors and First Aiders.
- Talk on Aids awareness programme.
- Increase enrolment of staff in cooperative movement.

**Human Rights
Future**

Labour Rights

UN Global Compact principles covered:

Principle 3: Business should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4: Business should support the elimination of all forms of forced and compulsory labour

Principle 5: Business should support the effective abolition of child labour

Principle 6: Business should support the elimination of discrimination in respect of employment and occupation

Commitment

We have standard policy of equal opportunity for all, irrespective of gender, race, status, tribe and disability. We apply 'fair' principle at all times. We at Complast respect and apply to the later fair practices in accordance with the Laws of Kenya and ILO rules and regulations. We believe in emotional intelligence where our employees are encouraged to speak frankly without fear of intimidation or being penalized.

A brief description of our Processes or Systems

It is our policy that all employees are made aware of their rights, which include sexual harassment, salaries and wages regulations, digital time checks, overtime, leave days. Overtime is on voluntary basis and rates paid as per the laws of Kenya. i.e 1.5h on normal day, 2h on weekends and holidays. Sick leave approved as per doctors recommendations. We do not employ minors and persons of 18 years and below. Pregnancy leave of 4 months with full pay is given to our female employees and two weeks paternity leave to male employees where applicable.

Overtime is on voluntary basis and no employee is forced to perform overtime, it is subject to acceptance by staff to work extra time voluntarily.

We have a policy on child labour, that we only employ staff above the age of 18yrs, upon production of ID Cards for Kenyan Citizens or Passport copy for Expatriates.

Our employment process is based on media advertisement for senior positions and reference based for junior staff. Employment is given on merit basis.

Activities implemented in the last year

- We have biometric log in / out system.
- Training arrangement inline with employees qualifications.
- Increase communication between employees and management (formation of Health, Safety and Welfare Committee).
- Articles distributed to employees and the same is pinned on the notice board explaining in detailed their rights.
- Bonus payment on an annual basis for the last four years.
- Favourable loans offered for enhancing further education.

Labour Rights
Current

	<p><i>Measurement of outcomes and value added for our company</i></p> <ul style="list-style-type: none"> - We have had no labour issues and enjoy harmonious relationships. - No records of work place diseases. - Ease of communication between employees and management. - Introduction of Biometric has resulted in accountability of hours worked and payment of wages / salaries.
Labour Rights	<p><i>Activities planned for next year</i></p> <ul style="list-style-type: none"> - Increased recruitment of female staff to narrow the gender gap which currently stands at 85 : 15 Men to female.

Environment	
UN Global Compact principles covered:	<p>Principle 7: Business should support a precautionary approach to environmental challenges</p> <p>Principle 8: Business should undertake initiatives to promote greater environmental responsibility</p> <p>Principle 9: Business should encourage the development and diffusion of environmentally friendly technologies</p>
Environment Current	<p><i>Commitment</i></p> <p>Complast is totally committed to ensuring that the best practices are in place for the environment protection in all aspects of our operations; focusing at our premises and immediate surrounding i.e. neighbourhood.</p> <p><i>A brief description of our Processes or Systems</i></p> <ul style="list-style-type: none"> - We conduct annual audit by independent external auditors (B.V) to ascertain impact of our production process in the environment. - We do have daily processes in place as recommended by external auditors to ensure that we are compliant on daily basis. - Data is collected on daily basis on wastage disposal and various analysis conducted and corrective action is taken immediately; if it exceeds the recommended levels. <p><i>Activities implemented in the last year</i></p> <p>With the assistance of KAM we conducted energy Audit with a view of improving conservation of energy and reducing costs. The recommendations submitted by the Auditors are already being implemented in phases.</p>

	<p><i>Measurement of outcomes and value added for our company</i></p> <ul style="list-style-type: none"> - We have an efficient wastage collection and disposal unit. - We have a clean and lean production process. - Sensitization and educating of all the employees for a clean and lean environment has generally uplifted our thinking towards environment, here at workplace and outside at large.
Environment Future	<p><i>Activities planned for next year</i></p> <ul style="list-style-type: none"> - Installation of energy saving motors and lighting bulbs. - Continuous education of environmental impact to all our employees and stakeholders. - Segregation of waste in line with the City Council and UN regulations. - Appointed independent approved garbage collector to take care of wastage disposal.

Anti-corruption	
UN Global Compact principles covered:	Principle 10: Business should work against corruption in all its forms, including extortion and bribery
Anti-corruption Current	<p><i>Commitment</i></p> <p>At Complast, we are committed to good governance ensuring that all our policies and rules and regulations are geared towards good corporate governance and ethics; this shall be observed at all cost.</p> <p><i>A brief description of our Processes or Systems</i></p> <p>We have in place, policy that we advocate to all our employees, customers, suppliers and stakeholders that no form of favour is given in turn for business contracts. We ensure and advocate for avoidance of any activity, investment, association or interest that might compromise our policies on governance.</p> <p>Transparency and accountability are observed at all times and at all levels of management.</p> <p><i>Activities implemented in the last year</i></p> <ul style="list-style-type: none"> - We have recruited Chief Finance Officer who is entrusted to look into this along with other responsibilities. - We have external, independent auditors to verify our dealings / records.

	<p><i>Measurement of outcomes and value added for our company</i></p> <ul style="list-style-type: none"> - Employees take pride as the above recognition earns them respect and makes them feel responsible citizens of Kenya and the world at large. - Suppliers strongly feel encouraged by our practice and this has resulted in strengthening our relationships. - <i>We have not encountered any violation.</i> - Maintained a good corporate image of our company.
<p>Anti-corruption Future</p>	<p><i>Activities planned for next year</i></p> <ul style="list-style-type: none"> - Publication of prequalification requirement for Suppliers / Customers. - In house education to be enhanced.

How do you intend to make this COP available to your stakeholders?

We at Complast would like to make COP report made available to all our stakeholders.

- We shall include this report as part of our website.
- We shall also want the COP uploaded to the UN Global Compact Website.
- Copy of the COP will be available to our Customers and Suppliers on request.

Donations, awards

We support the community in various activities among them are:

We firmly believe in corporate social responsibility.

- We support and promote sports; activity we have supported and will continue to support next year are:
 - Watamu Triathlon.
 - Ngong Forest Sanctuary Run.
- Donation of foods stuffs to schools and less privileged members of community.
- Payment of school fees for members of our staff and community at large.

Awards:

Received Award for the KPMG Top 100 Companies. No. 42