



Communication on Progress 2011

Medine is committed to the UN Global Compact since September 2007 and strives to embrace, support and enact the ten principles set forward by the programme within the company's sphere of influence.

The group has recently adopted an Environmental Policy, a HIV/AIDS Policy as well as a Code of Conduct and Business Ethics. These represent real guidelines that will ensure that the group evolves while setting new standard within those industries in which it operates.

With the support of the United Nations Global Compact, Medine aims to move the agenda forward on issues related to human rights, labour rights, the environment and the fight against corruption, both in Mauritius and at a global level. Medine strives to be a good citizen and while working for a sustainable growth, the company endeavors to mitigate its impact on the environment, to take care of the health and the safety of its employees and to reach out for trustworthy relations with its stakeholders.

In the following pages, we summarise the progress that the company has made in 2011 in the upholding of these principles as detailed in the programme.

Kindly find hereunder the COP of Medine Limited for the year 2011.

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HUMAN RIGHTS

Principle 1:

Businesses should support and respect the protection of internationally proclaimed human rights

Medine firmly believes in the dignity and worth of the human person and in the equal rights of men and women. The company is determined to promote social progress and better standards of living in its catchment area.

As a socially responsible organisation, Medine supports Non-Governmental Organisations (NGOs) in the field of poverty alleviation and individual empowerment. Corporate Social Responsibility (CSR) is pivotal for the company and it is being fully integrated in the way business is carried out. As per article 25 (1) of the UDHR *“Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.”*

ACTION IN THE COMMUNITY



The Craft Incubator

The **Craft Incubator** recently moved to Bambous and continues to train and support twenty local artisans in arts and crafts (coconut, textile and recycled materials). The non-technical support is mainly provided in the marketing field. This project aims to professionalise the Mauritian handicraft. This sector of activity is considered to be lagging behind as compared to countries like Indonesia or Madagascar.

Medine Entrepreneur Scheme (MES)

The **Medine Entrepreneur Scheme** is Medine's microcredit scheme, created to support small entrepreneurs in the catchment area of Medine. It has, to date, supported 22 entrepreneurs (mainly women) with a total amount of US\$ 126,667 (Rs. 3.8 M). New ventures supported by MES include a car-wash service and a pastry caterer. MES is managed by Medine's CSR Department with the collaboration of The Mauritius Commercial Bank Ltd.



The Bambous Social Hub

La Promenade de Medine, a beautiful 10-arpent leisure park designed and created by Medine Landscaping, is open to the public all year round and hosts events such as cinema screenings, concerts, and fairs. This park was part of the Medine Master Plan 2005-2025 and was meant to provide a green space to the local community.

The Medine Volunteers

The **Medine Volunteers** is a group of 66 employees who are convinced of the importance of spending time, competencies and experience with the most vulnerable members of the society.

The Medine Volunteers members have devoted time and resources in 2011 to perform '100 Good Deeds'. This is how the volunteers chose to commemorate Medine's centennial.

The group organises activities for and with NGOs or vulnerable groups and help them out in a number of ways:

- Sharing of expertise: secretarial duties, basic life-skill trainings, IT, agriculture, education (complementary education).
- Sharing of experience: karate, athletics, basket-ball, football, volley-ball and send the talented kids in the regional clubs.
- Organising Socio-educational activities: Educational outings for students, creativity activities with young children, visits to handicaps and to elderly.
- Donations: to purchase provisions for the needy, to finance educational camps for handicaps, NGOs' Flag Day, to finance important and expensive medical treatments for individuals suffering from serious illnesses, school materials to needy children.
- Fund-raising activities: flea markets (items on sale proceed from donations of the employees). The total income is then used to finance activities in favour of the poor.



Principle 2:

Businesses should make sure that they are not complicit in human rights abuses

Medine works in collaboration with various actors (including the **Ministry of Labour, Industrial Relations and Employment**.) to ensure the safeguard of human rights and prevent any cases of abuse.



LABOUR

Principle 3:

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Within the Agricultural cluster, there is a tradition of regular meetings with representatives of labour unions. In 2008 and 2009, for instance, these representatives have been consulted on the group's strategic review. The negotiations and general relations with the unions are respectful and cordial. Medine recognises freedom of association as well as the right to collective bargaining – all within the letter and the spirit of the law.

Principle 4:

Businesses should uphold the elimination of all forms of forced and compulsory labour

This issue does not apply to Medine, which complies with laws, rules and regulations of the country.

Principle 5:

Businesses should uphold the effective abolition of child labour

This issue does not apply to Medine. The company abides to the established employment laws.

Principle 6:

Businesses should uphold the elimination of discrimination in respect of employment and occupation



Recruitment and occupation of employees are based on merit. Medine has contracted a consultant in human resources since 2008 to review and harmonise contracts and ensure fairness in employment and occupation.

Each Medine cluster has now its own Human Resource team who ensure fair and non-discriminatory employment.

There is no discrimination based on gender, age, religious beliefs and sexual orientation.

The percentage of women in the workforce is 20% at the workers level and 41% at the staff level.

ENVIRONMENT

As per Medine's Code of Conduct and Business Ethics, the company acknowledges its duty, as a responsible corporate citizen, to protect the natural environment for future generations, and take this responsibility very seriously. The long term objective is to reduce the company's impact on its environment and further educate on the need to safeguard the island's fragile ecosystem.

Principle 7:

Businesses should support a precautionary approach to environmental challenges

In order to meet environment challenges, Medine has been promoting the following:

- 1) Participation in the Mauritius Ile Durable (MID) workshop organised and led by the Mauritian Government (June – August 2011)
- 2) Promulgation of a *'Safety and Health' policy (Year 2011)*, as well as the setting up of a committee for upholding the policy.

MEDINE'S GENERAL POLICY ON SAFETY & HEALTH AT WORK

Medine Limited, being a key player in the industrial sector of Mauritius, aims at always promoting proactive behaviours towards safety and health. As a responsible company that sees in its workforce and stakeholders a unique asset, Medine continuously seeks to ensure that safety and health principles are upheld on the workplace and commits to lay related guidelines to always safeguard employees.

Top management staff also monitors the enforcement of safety guidelines by:

- *Promoting a safety and health culture within the organization*
- *Providing employees with adequate training so as to ensure safe work practices*
- *Providing necessary resources to avoid employees taking any undue risks.*
- *Undertaking necessary corrective and preventive actions when unsafe or unhealthy working conditions are reported.*

The participation and involvement of employees in safety and health activities are greatly encouraged while their adherence to established safety practices and procedures is mandatory.

They should also immediately report any hazards or unsafe conditions; incidents or accidents; injuries and illness to their direct reporting line, who shall thereon inform the Safety and Health Officer. No employee shall be subject to interference, coercion, discrimination or reprisal for identifying or reporting any unsafe or unhealthy working acts or conditions.

Medine engages itself to comply with all the safety and health principles as set in the Occupational Safety and Health Act 2005, so far as is reasonably practical to comply with.

Safety is everyone's responsibility. At Medine, all employees are expected to provide support to achieve highest standards of safety and health and to be a reference in this field of activity.

- 3) Risk assessment at the fruit and vegetable shed of Medine (**HACCP certificate** recommended).

Since December 2011, the fruit and vegetable diversification unit is HACCP certified.

HACCP (Hazard Analysis Critical Control Point) is a protocol that identifies, evaluates & controls hazards in order to ensure food safety.

The company shed was already respecting hygiene regulations and further worked on more steps to meet the requirements for a HACCP certificate This incur,

- Establishing procedures for ensuring the HACCP system is working as intended and record keeping procedures.
- Training the staff to ensure that HACCP procedures are mastered and applied accordingly.
- Ensuring that proper agricultural practices are being respected.

- 4) Participation in a governmental workshop on **biodiversity conservation** (November 2011).
- 5) Workshop on **carbon footprint** with the 'Mauritius Exporters Association' (MEXA) in July 2011.
- 6) Promotion of courses such as '**Energy Management Systems**' amongst the employees of Medine. The purpose of the course, given by the TALENTS CENTRE which is under the aegis of Medine, was to learn how to achieve energy efficiency through well laid out procedures and methods and ensures continual improvement.

Principle 8:

Businesses should undertake initiatives to promote greater environmental responsibility

Medine is committed to managing its environmental impacts and has undertaken a number of initiatives to meet the actual environmental challenges:

- 1) Creation of a **Natural Resources Dept. in 2011**

THE NATURAL RESOURCES DEPARTMENT

The Natural Resources Department (NRD), set up in 2011, operates under the aegis of the Agricultural cluster where it acts as an ecological net for the industrial operations carried out in this particular cluster. In addition to its major activity, (i.e. composting), the NRD has initiated new projects to address the multifaceted environmental challenges. Since the concept of sustainability is underlined in Medine's vision of long term development, the NRD also services the Property and Leisure clusters, in terms of technical assistance for the integration of environmentally sound practices in daily processes.

Mission statement

- To assist the group through research, management and co-ordination of effort for the integration of ecological objectives in the group's strategic development plan.
- To promote the safeguard and regeneration of ecosystems on which we depend, so as to optimise their adaptability, resilience and productivity.
- To implement short and long-term plans to harmonise the interaction between economic development and the natural assets of the group and where possible to restore it to its original state.
- To lead the way in every aspect of sustainability so that citizens and visitors of Medine enjoy the company's ecological character and fathom about its commitment towards the protection of this present and projected ecological network.

- 2) **Compost production** helps reduce synthetic fertiliser input. The process uses by-products from the sugarcane industry (for example bagasse, flyash and scum), the fruit and vegetables diversification unit (vegetable wastes) and poultry farms (organic wastes) as raw materials.

Yearly production of compost: 12,000 T

Composting constitutes a precious method of waste valorisation. At Medine, the by-products generated by industrial processes (refer to table next page), are utilised for the production of compost. At the end of this biological process, the compost or humus obtained is applied to vegetable and sugarcane fields as an organic fertiliser, and a soil conditioner.

By-product	Source	Estimated quantity utilised yearly	Unit	Use
Scum or press mud	Filtration of cane juice	20,000	T	Biofertiliser for sugarcane and vegetables.
Bagasse	Cane crushing operation	1000	T	Carbon source mixed with other organic waste such as poultry manure for the production of compost.
Sugarcane thrash	Sugarcane fields	300	T	Carbon source for composting activities.
Flyash	Bagasse combustion	2,000	T	Mixed with scum for the preparation of substrates for the Nursery and plantlet production.
Vinasse	Molasse fermentation	70,000	m ³	Applied to sugarcane and vegetable fields as a potassium-rich liquid fertiliser.

- 3) Implementation of a **waste management service**, and **disposal of hazardous waste** such as asbestos and used oil filters in accordance with the Environment Protection.

- Collection of unsorted municipal waste from the Medine's Agriculture cluster, and disposal at La Chaumière Transfer Station. This service has also been extended to the Property cluster.
- Asbestos is listed in the hazardous waste regulations 2001. In the past, the irrigation network consisted of asbestos-cement pipes. These have gradually become obsolete. Currently, the department is elaborating a proper disposal method for the asbestos-cement pipes with the help of the Ministry of local Government, Rodrigues & Outer Islands.

- 4) Management of flyash decantation ponds during the crop season.
- 5) With the help of the HR department, an education campaign has been launched to reduce paper consumption.
- 6) **Energy production** was better during the year 2011 as a result of modifications made to the process. **Electricity export** was better than in 2009 thanks to the team's effort to reduce energy consumption by undertaking an energy audit which led to better control the factory's consumption.

- 7) The very severe drought experienced by Mauritius since early 2011 has had and will have a major impact on water availability for irrigation and thus on cane yields for the 2011 and 2012 crops. Many of **Medine's water rights** have been temporarily put at the disposal of Government to help alleviate the shortage affecting households in the country.
- 8) The Medine Landscaping unit has been promoting innovative, sustainable products such as synthetic lawn, roof garden and vertical green wall.
- 9) A forthcoming project entailing the conservation of endemic trees in the Yemen Chassée. This area counts among the few places whereby the island's native forest is intact.

Principle 9:

Businesses should encourage the development and diffusion of environmentally friendly technologies

Medine has put in place the following technologies to efficiently contribute to the protection of the environment: -

- 1) A pilot project has been initiated for the recycling of waste water from the sugar milling. This project uses reed-bed technology and its efficiency will be tested during the 2012 crop season.
- 2) The NRD is currently collaborating with the Medine Distillery & Co. Ltd. for the initiation of a pilot project with the aim of preventing the dumping of vinasse in the field and other surface runoff to rivers during the rainy season.



Windrow turner aerating a compost pile and injecting incorporating vinasse

- 3) Disposal of used oil generated by the Garage unit and recycling of plastic waste through third parties.

From January to December 2011, Ecofuel Limited collected 17,500 L of used oil at Medine Limited. Used plastic items such as pesticide containers, and plant trays are cleaned and collected by the recycler Power Plastic Ltd.

ANTI-CORRUPTION

Principle 10:

Businesses should work against corruption in all its forms, including extortion and bribery

Medine has adopted a Code of Conduct that promotes a policy of fair dealing, honesty and integrity in the course of business conduct. .

The Code of Conduct lists and details the standards of behaviour to which Medine is adhering to. These standards go beyond the requirements of the law as they share the values and the culture of the company. This Code has been actively endorsed by the Board of Directors of Medine in November 2011 and shared with all employees, who are now required to comply with the moral, ethical and legal standards contained in it.

ADVANCING WITH PARTNERSHIPS

HIV/AIDS IN THE WORKPLACE

- ❖ Medine's Head of CSR has been sitting on the National Tripartite Steering Committee on HIV/AIDS in the Workplace, set under the aegis of the Mauritian Ministry of Labour, Industrial Relations and Employment since its inception in August 2010 and until its dissolution in December 2011.

The company was among one of the five pilot-projects with regard to awareness surveys, sensitisation campaigns and creation of an HIV/AIDS Policy in 2011. Under this committee,

- the company reached out for an extensive survey among its 1,800 employees on their knowledge of HIV/AIDS.
 - a sensitisation campaign on the topic was subsequently held, based on the results of the survey, where 25 sessions were organised and attended by 1,056 employees.
 - Medine published its HIV/AIDS Policy via such media as its internal newsletter and through the Intranet while 13 human resource persons were trained and provided with the tools for confidentially and effectively tackle this issue on the workplace.
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- ❖ Our CSR department collaborates with the **Ministry of Social Integration and Economic Empowerment** for all its CSR activities and with the **Ministry of Housing and Lands** for a social housing project which is in the pipeline. Medine is actively working together with the **United Nations Development Programme Bureau** in Mauritius, to set up this project. The aim is to provide to the poor and marginalised people in Mauritius a decent housing and to promote social advancement by enhancing the conditions of living of poor families.

CONCLUSION

Through an array of initiatives, Medine presently shows its uttermost engagement in deepening its corporate commitment to upholding the principles of the UN global compact. While priority actions have been earmarked to focus on those key areas that have been identified by the initiative, there are other projects that Medine is also supporting since it is connected to a network of professionals. An example would be the recent launch of a training facility for individuals who would like to acquire fresh skills.

It makes business sense to communicate to shareholders, business analysts and the public in general that the company is guided by universal principles as those stated by the UN Global Compact. Above this commitment, Medine views its partnership in this endeavour as an opportunity to excel in its various fields of activity and demonstrate leadership in an increasingly changing socio-economic environment.