

UNITED NATIONS GLOBAL COMPACT

COMMUNICATION ON PROGRESS REPORT



CHIEF EXECUTIVE'S MESSAGE

Communication on Progress Year: 2013

Statement of Continued Support of the UN Global Compact

We are pleased to confirm that Mabati Rolling Mills Limited supports the ten principles of the United Nations Global Compact in respect to Human Rights, Labor Rights, the Environment and Anti-Corruption. This Communication is our expression of intent to continue supporting and advance these principles within our sphere of influence. We commit to making the Global Compact and its principles part of our strategy, culture and day-to-day operations of MRM and undertake to make a clear statement to our Employees, Partners, Clients and to the Public of this commitment.

We recognize that a key requirement for participation in the Global Compact is the annual submission of a Communication on Progress (COP) that describes our effort to implement the ten principles. We support public accountability and transparency, and therefore commit to report on progress annually according to the Global Compact COP policy.

Sincerely,

.....
BUSINESS HEAD - COILS

.....
BUSINESS HEAD - ROOFING

Dated: 26th August, 2013

Company name: MABATI ROLLING MILLS LTD

Sector: INDUSTRIAL METALS AND MINING

Number of employees: 915

UN Global Compact signatory since: 2006

Contact person: Salim Bakari

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Brief description of nature of business

We are a manufacturing company specialized in building and roofing solutions that include Sheet products and steel system building structures.

Scope of this COP

This COP is a report for the period between September, 2012 and September, 2013 and covers all the ten principles of the Global Compact. It extends to all employees, management, and suppliers and is intended to be communicated to the stockholders, staff and the general public.

COP 2013 – CORPORATE SOCIAL RESPONSIBILITY

Preamble

Mabati Rolling Mills Limited (MRM) evolved as a corporate entity in 1961. Since then a policy to plough back to the local communities through a community inclusive process was put in place. MRM, then, had foreseen and adopted what the UN Convention years later adopted as their Agenda on Sustainable development – The Rio Declaration of June 1992, the first Principle being: *“Human beings are at the centre of concerns for sustainable development. They are entitled to a healthy and productive life in harmony with nature.”*

This Principle resonates with MRM’s initial CSR policy.

By the time the Millennium Development Goals (MDGs) were articulated internationally, MRM was already translating the same goals, not only in the locale of its plants, but far and beyond, bringing hope and dignity to thousands of Kenyans. MRM CSR roadmap is now aligned to the MDGs with its main noble task being “to ensure that every man, woman and child has a decent roof over their head.” This is through our commitment to manufacturing of high quality and affordable roofing solutions.

In the period under review, we have witnessed a rise in expectations from our stakeholders which gradually affected our way of doing business. We have recognized this as a business opportunity and transformed ourselves in a way that ultimately responded to business needs and expectations, by endeavoring to implement programs that suit economic, social and environmental perspectives.

Mabati Rolling Mills has taken deliberate steps in instigating environmental and social concerns, as reported elsewhere in this document, though needless to mention, through an uncertain political environment following run-up and post Kenya national 2013 General Election.

As is customary, in 2012-2013 we participated, using a percentage of our pre-tax profits, to contribute to various social projects focused on stimulating environmental awareness, preserving nature, and assuring that the component of acceptable standardized shelter is achieved; we pushed forward to reduce our energy consumption and carbon footprint by reengineering our processes and committing in writing to remove inefficiencies, among other activities and commitments.

The core themes that MRM focuses on, and hence our reporting for the reviewed period, are appended:-

1. Shelter:

Commitment:

MRM will engage in activities that provide access to people seeking shelter and in particular roofing. These will be shared at low cost in cases of disaster or where the need is great. We will seek to develop products of the highest standards.

Projects undertaken during the reviewed period:-

a) Low Cost Housing:

MRM collaborated with its associate companies to provide low cost housing units for sale. The sample house is located at its Athi River offices for viewing. This is one way addressing the aspect of shelter for all



b) Empowering local artisans through specialized training - Activity and outcome:

Safal Mitek, a subsidiary of Safal Group, together with MRM trained more than 20 (Fundis) artisans to acquaint them with new technology involved in construction of trusses and other related products. Mr. Stewart Murray (bottom left) of Mitek South Africa was at hand to certify the artisans with certification.



Artisans rewarded for exemplary assignments, on the photo below.



Other Shelter-related activities:

Mabati Rolling Mills, staged a number of activities during the year to raise awareness as well as educate the public on aspects of roofing and housing, among other topics, hence addressing the aspect of shelter.

Ultimately, the outcome has been, a well-informed public who are able to make better choices.

MRM collaborated with PKF and donated iron sheets worth Kshs 120,000 to rehabilitate a school in Machakos County, Kenya.



2 Health & Sports:

Commitment:

MRM's goal is to render quality health to its staff and the communities where the company operates including its market places. In pursuing this quality objective of attaining physical and mental health for all, we will ensure that there is access to the appropriate facilities.

Projects:-



The number of patients who visited our medical centre increased since establishment of the new centre.

YEAR	MALE	FEMALE	CHILDREN	TOTAL	REMARKS
2012	6,449	8,785	3,619	18,853	General sicknesses
Bomu	2,441	9,011	2,498	13,950	HIV/AIDS
Sub Total				32,803	
2011	7,629	7,956	2,617	18,202	General sicknesses
2010	9,105	7,434	4,295	20,834	General sicknesses
2009	8,892	7,855	5,419	22,166	General sicknesses
Total patient visits in last four years				94,005	

FIVE MOST COMMON DISEASES TREATED					
DISEASES	2012	2011	2010	2009	REMARKS
MALARIA	1,700	3,566	7,514	8,231	Has reduced over the years
URTI	6,938	4,809	6,517	7,776	Has remained constant
SKIN CONDITIONS	1,633	1,440	2,358	2,174	Has remained constant
DIARRHOEA	1,284	1,181	1,618	2,206	Has remained constant
U.T.I.	1,420	825	762	926	Has increased
EYE INFECTIONS	167	22	100		
ALL OTHERS	6,416	4,737	4,292		
DIABETES	147				
HYPERTENSION	741				
HIV/AIDS	13,950				From 2012 onwards by BOMU

a) Collaboration

A **collaboration agreement** with **Bomu Clinic** of Mkomani Clinic Society to take care of HIV/AIDS patients at MRM's Mabati Medical Centre (MMC) was reviewed and extended for one year. MRM houses the Bomu Clinic at its MMC Premises at Mariakani.

b) Sponsorships

In 2012 we sponsored 3 medical camps.

- 1) MRM co-sponsored the Lions Club of Mombasa Bahari carried out Mega Operative Medical Camp at the Malindi District Hospital from 7th to 11th March 2012.

The following was achieved:

No. of patients screened	1200
Major operations done	92

Dr. Anil Tibrewala, Consultant Plastic & Reconstructive Surgeon from Mumbai, India carried out 48 operations. These included children with cleft lips & cleft palates, Patients with extensive burns & post burn contractures, post traumatic deformities & large growths on various aspects of the body.

Dr. Hatim Yusufali, Consultant eye surgeon from Nairobi screened around 300 patients and carried out 16 cataract surgeries.

Dr. Mala Nyun, Consultant Obstetrician & gynecologist carried out 5 hysterectomies & 2 caesarian sections.

Around 300 ladies from all walks of life gathered at the Cleopatra Cinema Hall to learn about breast cancer. 85 of them came to Tawfiq Hospital for a free breast examination. Those who needed further advice were referred to Mombasa for extensive investigations.



2) Mega Eye Camp was held at our Medical centre on 28th & 29th April 2012. It was carried out by Lions Club of Mombasa Pwani. Following was achieved:

No. of Patients Screened	678
Cataract Operations	20
IOLs	20
No. of Reading glasses dispensed	84

One patient was a child named Master Mungumi Robert aged 6years old. He was operated under general anesthesia. He had bilateral cataract in both eyes.

3) The 3rd medical camp was held at our centre on 2nd September 2012. It was carried out by Lions club of Mombasa Pwani. Following was achieved:

No. of patients screened 1311
(This was the highest number for a one day medical camp)

427 eye patients were screened. were found with cataracts. 20 operated for cataract by Dr. Gokhale.

A set of young twins were also found to have cataract and were operated.



23
were

183 dental patients were screened and 83 tooth extractions were done.

73 ENT patients were screened and treated.

91 patients were screened for diabetes and blood sugar.

628 general patients were screened and given treatment. The most common ailments found were Upper Respiratory tract Infections, Anaemia, Skin infections, malnutrition in children, etc.

We have participated in the District Health Stakeholders Forum meetings and sponsored one of these meetings at our Mabati Medical Centre.

a) Dissemination of HIV information and First Aid training

At Athi River and Mariakani, MRM carried a number of activities pegged on dissemination of information on HIV, including First Aid training, as documented by the appended photographs. The Company also participated in the World AIDS day in both Athi River and Mariakani, as seen being flagged off, at Athi River.



Other significant related activities included:

A SEMINAR ON DRUG & SUBSTANCE ABUSE CONDUCTED BY CICADA, at Mariakani



NIC BANK Donated Kshs 400,000/= TO THE CLINIC AND THE MTTI INSTITUTE.



UNDER SPORTS ACTIVITIES:

b) Gym facilities at Mariakani and Athi River



Outcome:

Employees at Mariakani and Athi River continue to enjoy free access to the Company's sports and gym facilities and are able to exercise at their convenience. Regular exercising is one solution to enhancing wellness to the staff hence minimizing lifestyle diseases like diabetes, high blood pressure, among others. This runs under the wellness program.

c) Olympic Team Support

After participation and feting of the Kenyan Olympians, MRM kept its promise of rewarding the Olympians. The following were the awards, in kind, which MRM offered to the Team (NB: Athletes who did not win medals were also given certain concessions as appended below):

MRM committed to recognize hard work and contribution through the following awards:

- A Gold medalist - awarded a gift of free roofing sheets worth Kshs 250,000.
- A Silver medalist – awarded a gift voucher of free roofing sheets worth Kshs 150,000
- A Bronze medalist awarded a gift voucher of free roofing sheets worth 100,000.

In addition, MRM Board specially recognized the world record breakers during the Olympic events that included David Rudisha, Abraham Tarbei, and Samuel Mushai by giving them an additional voucher for roofing worth Kshs. 100,000.00.

Also, Mary Nakhumicha Zakayo who received the Whang Youn Dai Achievement Award, she too will tonight receive a voucher for roofing worth Kshs. 100,000.

**Outcome:**

The participating sportsmen and women who represented the country felt more motivated and the sporting fraternity, indeed, felt recognized by agencies/institutions outside the government.

3 Education & Innovation:

Commitment:

MRM will train its employees to build a spirit of innovation in their thinking and help them to discover a more creative and fulfilling career path. MRM will continue to invest in Mabati Technical Training Institute helping it build a sustainable resource base.

Projects:-

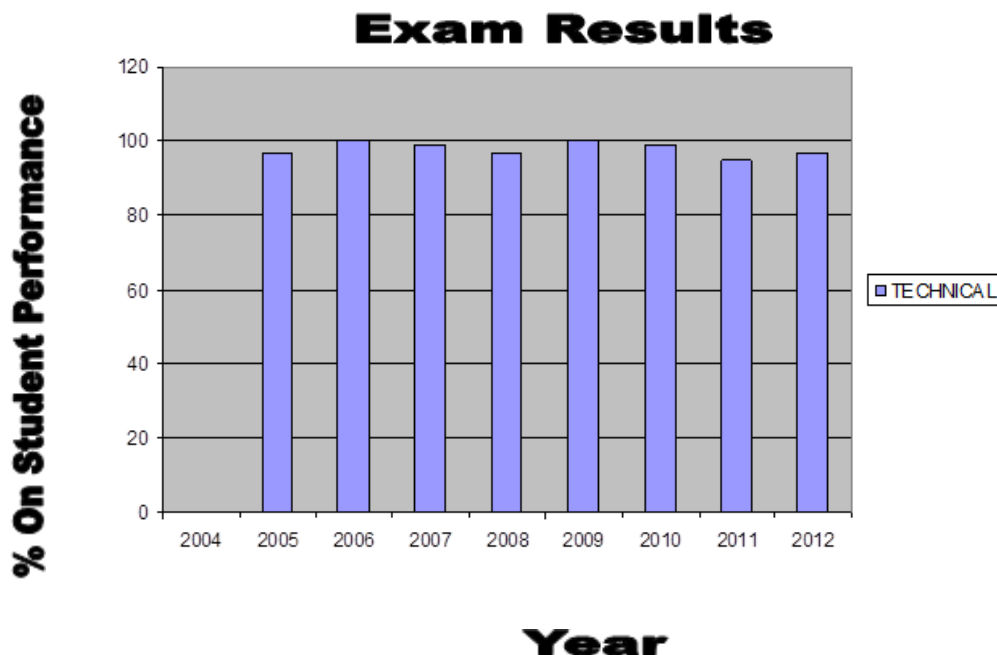
Majority of our students come from poor families.

In the annual government DIT exams our institute has got a pass result of 95% and above. In the December 2012 exams 97% of our students passed.

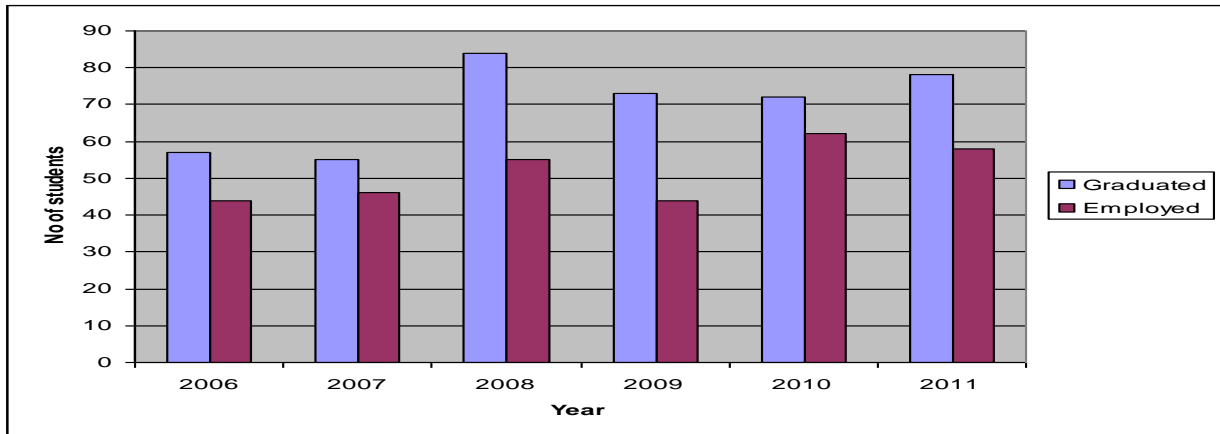
The breakdown of the student intake for 2012 was as follows:

Trade	No. of Students	Male	Female	Form 4	Class 8	Single Parent	Orphan
Computer 3 month course	204	45	58				
Computer 1 month course	26						
Accounts	19	6	13	19	0	3	
Total A	249	51	71	19	0	3	0
Auto electrical	11	11		7	4	2	9
Electrical fitter	18	18		16	2	4	1
Tailoring	13		13	1	12	5	
Welders	18	17	1	11	7	3	3
Turners	16	16		16		5	
Cabinet making	7	7	0	1	6	5	0
Total B - 2nd Years	83	69	14	52	31	24	13
Motor mechanic	21	21		14	7	3	1
Electrical wireman	22	19	3	19	3	3	3
Dressmaking	16	5	11	3	13	3	1
General fitters	39	36	3	33	6	16	5
Carpentry joinery	8	8	0	1	7	3	1
Total C – 1st Years	106	89	14	70	36	28	11
Grand Total	438	209	99	141	67	52	24

Around 80% of our graduates are gainfully employed each year. Statistics are appended:



Job placements



- a) **Mabati Technical Training Institute:** The institute imparts employable skills to the **poor and needy** youth of Mariakani and the surrounding area.

MRM grants Kshs 6 million towards the operational costs of this project.



Outcome:

Youth Empowerment through Education.

The project benefits around 500 poor and needy students every year. Of the 90 technical students who graduate 80% of them are gainfully employed within three to six months upon receiving the DIT certificate. Thus MRM contributes in reducing poverty in the area. Around 300 to 350 students acquire basic computer skills annually which give them an edge in acquiring jobs, as computer knowledge is a must in today's job market.

Appropriate courses currently offered at MTTI:

Technical Trades

- Technical Trades offered are as per the Ministry of Science and Technology Curriculum
- Students sit for the Directorate of Industrial Training (DIT) Exams

Computer Courses (Internal Certification)

- Beginners course

- Microsoft office Packages
- **Basics in Accounting Packages**
- Accountant Technician Certificate Exams
- Kenya Accountants and Secretaries National Examinations Board (KASNEB)

Testimony: Sponsors' delight:

The significance of the social investments, i.e Medical Centre and MTTI, continue to elicit support from various sponsors, as documented by the sample photos appended:



- 24th June 2013: Wilbert .P of Quaker Chemicals, Netherlands visited the institute and was impressed with good done to the youths and was proud to be a partner.
- On 29th May Mr. Nayan Shah visited the institute and was impressed and promised to support the noble work.
- 3rd May we had a visit from Glad's House led by Mr. Cliff Ferguson., and noted they were impressed
- Among others.

Testimony: A beneficiary of the MTTI programmes



- *Peter Ondiek (2007-2008) - Course: General Fitting*
- *"I was hired by MRM. The institute changed my life. It taught me to be always focused and made me a professional".*

b) Donations/Assistance to Educational Institutions:

MRM participated in a big way in support of a number of education initiatives, both at Mariakani and Athi River. Appended is a documentation of some of the activities that the Company supported, materially, morally and financially:



MRM and Safal Mitek Team led by Business Head, Mr. Santosh Shridharan, that participated in a Charity walk for Starehe Girls hand over a donation of Kshs 150,000, to the Principal of the school.



MRM Corporate Affairs Manager, Salim Bakari, hands over lapdesks to a school in Kiambu County, and below, together with Human Resource manager, Gertrude Obinchi, deliver a cheque to Chairman of LIWA Expo for innovations by University students. The Expo was attended by Company Chairman, Dr. manu Chandaria





Photos: Before and after

(PKF collaboration with MRM - detail on this photo explained under Shelter)

4 Energy & Environment:

Commitment:

- MRM will work at reducing pollution in all its forms, in particular, energy consumption and CO₂ emissions, ensuring good resource and waste management practice & maintaining tight controls over recycling and noise.
- MRM shall be applying the regulatory standard certification bringing environmental management system conformity & complying with legal requirements. MRM will also work to increase Kenya's forest cover.

Projects:

- Town Cleaning activities** - MRM Employees have participated in cleaning activities at Mariakani, Mlolongo and Matuu, as a support to efforts to achieve environmental cleanliness.



Outcome:

From the exercises, which collaborated other agencies, more synergy has been achieved with the respective communities having been well informed and aware of dangers of not maintain their environment.

b) MRM participated in **tree planting activities**



MRM participates through collaboration and out-rightly engages in outreach programmes that involve tree planting, in both Mariakani and Athi River. On Quarterly basis, MRM collaborates with KAM in tree planting exercise at Nairobi national park. Also, planted trees at PK Primary school , Kiambu County after donating lapdesks to the school.



MRM's donation of Kshs 100,000 to KPLC's kitty for environment, is presented by Corporate Affairs (top left), who also presented another donation of Kshs 150,000 towards Wheelbarrow competition to mop up funds for environmental conservation



COP 2013 – ENVIRONMENT

Commitment:

MRM is committed to take proactive approach to environmental issues with reference to International standards, government law in Kenya and Kenya's National Environmental Management Authority (NEMA). MRM's CSR policy recognizes environment conservational and sustenance as critical activity areas.

Our processes involve application of safe environmental practices and Kaizen principles to ensure that elements of:

- Waste management,
- Safe disposal,
- Clean environment, and
- Continual improvements in business practices,

MRM is certified in ISO 14001 – 2008 for environmental management systems, which has been renewed from 2013 to 2015.

1. Activities impacting on Environment

Activities implemented in 2012 include:

- Substitution for wood trusses with steel trusses Safal Mitek.
- ISO 14001 Environmental Management Systems sustenance
- Annual Environmental audits and licensing by NEMA Kenya.
- Participation in Community Clean-up activities(at Mazeras)
- Environmental Awareness Campaigns
- Replacement of high energy mercury bulbs with energy saving lamps and solar system
- Use of translucent sheets to eliminate electricity usage during the day
- Participation in Energy Management awards
- Employee energy saving awareness campaigns
- Energy audits held every 2 years – last one was in 2011 - Measurement of outcomes and value added for our company

Outcomes from the above activities:

- Re use of scum for water pre heating
- Clean Environment
- Energy saving campaigns among employees and at corporate level
- No fines or penalties for non-compliances
- Recycling of water & hence reducing demand on water(environmental protection)
- Raising environment protection awareness in the organization and also to the neighbors.

- Monitoring on energy usage with a view to taking corrective measures
- Reduced environmental pollution
- Good relations with surrounding community and government agencies
- MRM Was been recognized by NEMA, for being most compliant company with the set regulations for year 2012

2. Enterprise Risk Management (ERM) projects

Highlights of the projects:

- Upgrading of our treatment plants-
- Establishment of Lawns nurseries and construction made by recycled water
- Put up an effective red oxide disposal mechanism
- Upgrade of the 6 hi mill, to improve performance

Activities planned for 2013:

1. Nurseries for seed distribution to the community
2. Installation of additional solar water system
3. Integration of Environmental, Kaizen, Quality and Health and Safety dockets into ERP/Sap for corporate policy
4. Risk Management policy & Strategy follow up
5. Training: external & internal on environmental issues to raise awareness.
6. Upgrading of Fire Hydrant Systems-(for firefighting preparedness).

MRM Certification Components:

- ISO 9001:2008 certified on Quality Management System (QMS)
- ISO 14001 certified on Environmental aspects
- OSHA 18001 certification

COP 2013 – HUMAN RIGHTS

Commitment:

MRM is committed to the prevailing Global Compact principles and Recognizes fundamental human rights to its stakeholders and Human Resources through the conduct of all its business activities.

1. Our Processes/Systems

- The company has continued to adhere to the labour laws of the country, ILO conventions and best practices in the country.
- The management adheres to union agreement agreed in the negotiation with workers delegates.
- The CBA covering the workers in the year 2013/2014 was concluded at the rate of 12% increase for the general wages and other allowances contained in the CBA were reviewed.
- There is no forced labour at all in the company and employees work in an environment where they are treated with respect and all their rights and privileges recognized.
- In our endeavour to increase transparency and accountability, our employees are freely encouraged to use the whistle blower policy whenever they observe any unethical conduct by MRM employees or stakeholder.

2. Activities implemented in the reviewed year

- Safety Baraza - creating awareness to minimize accidents in the plant
- Collective bargaining agreement with workers was concluded.
- Medical cover for all employees was reviewed.
- The provident fund by employees and employer was reviewed from 5% to 7.5%
- Implementation of Employee Satisfaction survey feedback is ongoing.
- We developed Skills Matrix across the company where skills fit/ do not fit in our current operations for the purposes of taking appropriate action.

3. Outcomes and value added to MRM

- Reduction in injuries and absenteeism within the plant.
- Harmonious relationship between the management and employees has been maintained.
- Drastic improvement in productivity and change of behavior.
- We have carried out vigorous campaign on internal training which has resulted in improved knowledge and skills in our employees that guarantees high quality products.
- The following is the progress on training;

L & D – Return on Investment Q1

Training	Participants	Status Before Training	Return on Investment
Taxation – External Training	Payroll Assistant, Finance Executive, MA Assistant	<ul style="list-style-type: none"> ▪ Wrong interpretation & Application of tax laws ▪ Risk exposure to possible litigation 	<ul style="list-style-type: none"> ▪ Correct interpretation & application of Tax Laws ▪ Benefits passed to staff on Tax reliefs i.e. Insurance, Mortgages etc (staff/company trust levels improved) ▪ Accurate time relevance on interest changes – Prevailing interest rates applied as guided by the government ▪ 100% compliance ▪ Company benefits when prevailing interests are high.
Health & Safety Training - Internal	All staff in the Plant	<ul style="list-style-type: none"> ▪ Low staff response on safety alarms ▪ High accident rates i.e. Q4 (41) 3 Major 	<ul style="list-style-type: none"> ▪ Clear understanding of Health & safety requirements and use of PPE's. ▪ Improved response to fire alarms & first aid cases ▪ Only 1 major accident in Q1'13 amounting to 5 days of lost time.
Coil Handling - Internal	Operators – CD 1 & CD2	<ul style="list-style-type: none"> ▪ Damages on coils & material 	<ul style="list-style-type: none"> ▪ Total % of seconds and scrap is at 3.92% at end on Q1 2013 compared to 4.62% at the end of Q4 in 2012
ISO & Process Parameters - Internal	QA Technicians	<ul style="list-style-type: none"> ▪ No understanding of ISO ▪ Poor process application ▪ Gap in linking correct action from production team to correct non-conformance of products and process parameters 	<ul style="list-style-type: none"> ▪ Improved productivity i.e. average of 2,824MT per month as at March 2013 compared to an average of 2,496 MT per month in 2012. ▪ QA & Production teams more focused on set operations/production objectives & targets. ▪ Improved process ownership

HR KEY ACHIEVEMENTS Q1- MRM MKN

Training	Participants	Status before training	Returns on investments
Autonomous Maintenance	MCL Operators, CRM Operators, Utilities, Maintenance	Poor Autonomous maintenance on the skin pass mill in MCL	Improved Skill pass Mill condition at MCL
Trade Finance Training	Accountants, Sales Executive & Purchasing	Gap in the understanding processes and documentation	Able to understand the industry and documentation in the banking sector.
5K Audit Training	Production, Maintenance, Utilities, Supply Chain, Sales, ARP & PKL	Inability to conduct proper 5K Audit processes	Confidence in carrying out audits without problems.
PLCs Basics Training	Electricians	Difficulty in diagnosing PLCs	Faster navigation and diagnosis of PLC problems
Rolling Oil Training	QA analysts, Mill Supervisors, Maintenance staff, Mill Operators & Production Managers	Transition from dispersion type of rolling oil (old type) to emulsion rolling oil (new type).	Successful transition to new rolling oil.

HR KEY ACHIEVEMENTS Q1- MRM MKN

Training	Participants	Status before training	Returns on investments
Rockwell Automation Training	Electricians/Electrical Technicians	No understanding/ knowledge of Rockwell systems	Able to work and troubleshoot Rockwell systems
6K & Autonomous Maintenance Training	Mechanical Maintenance Team in MCL	Workshop in disarray.	5K done in the workshop and layout put in place

PLCs Logix Training	MCL Electricians	Difficulty in operating the PLCs	Ability and added knowledge of PLCs Logix operations
Payment Terms Training	Line Manager in Maintenance and Production	Poor understanding of terms of payments	Improved understanding & awareness of terms of payment.
132/11KV Sub Station	Electrical Technicians	Lack of knowledge & confidence in working at the Sub Station.	Ability to work and troubleshoot safely.
Pickling Line Operations	Pickling Operators	Poor awareness of operational impacts like quality of products and workmanship	Greater engagement and more focus on good quality as well as volume achievements.

HR KEY ACHIEVEMENTS Q1- MRM MKN

Training	Participants	Status before training	Return on investments
Skill Matrix	All Line Managers	Inability to conduct proper skills evaluation in individuals/teams	Successful understanding and ability to do skills evaluation.
Quality Inspection of Materials	CRM & CGL Operators	Poor awareness of operational impacts like quality of products and workmanship	Greater engagement and more focus on good quality as well as volume achievements.
SAP Plant module training	Maintenance Team	Inaccurate and no booking of maintenance jobs in SAP	Improved postings of all maintenance data in the system.
Basic Hydraulic I Training	MCL Electricians	Inability to work with Hydraulic systems properly	Confidence and ability to troubleshoot easily.
Rolling Techniques	CRM Operators	Poor awareness of operational impacts like quality of products and workmanship	Greater engagement and more focus on good quality as well as volume achievements.
Video Jet XL DN Training	MCL Operators and Electricians	New equipment	Ability to operate maintain the new machine

4. Activities initially planned for 2013 year

- Implementation of training plan in compliance with skills matrix.
- Employee baraza to be held to discuss the changes in the CBA of 2013/2014 for the purpose of clarification.
- Focus on health and safety to ensure nil accidents in the company
- Monthly employee relations meetings that will work as a platform of communication with employees.
- More employees to participate in sports that are currently sponsored by the company.

COP 2013 – ANTI – CORRUPTION

Commitment

MRM does not tolerate corruption in all its forms and other vices. There is commitment to policy, value statement, global compact principles and corporate governance policies that outlaw corruption in the business.

1. Our Processes or Systems

MRM's value statement affirms the company policy on anti-corruption: We do not take shortcuts to quality and ethics. There is Code of Ethics on Business Conduct that is binding to the staff and suppliers. The Human Resource Department has developed an Employee Handbook to guide staff operations.

2. Activities implemented in the last year

On anti-corruption, MRM has been creating awareness on the provisions of our Code of Conduct by holding Barazas (Employee forums) regularly. The Office of the Ombudsman is also now open to receive all complaints, including whistleblower issues, and address them. Such issues include but are not limited to corrupt practices.

3. Plans for 2013-2014

Going forward, we intend to identify our key values and ensure that all our employees understand them and are ready to embrace them in and outside the workplace.

COP 2013 – SUMMARY OF ACTIVITIES CELEBRATING MRM- IN THE REVIEWED PERIOD





LEGAL DISCLAIMER

This Report has been prepared by Mabati Rolling Mills within the principles of United Nations Global Compact – Communication On Progress (COP). It is intended solely for informative purposes and does not aim to form the basis for any investment decision. All featured information and related data are believed to be accurate at the time of publication of this report, and all information has been provided in good faith and relies on trustworthy sources. However, MRM does not make any kind of declaration, guarantee or promise in relation to this information.

End of Report