



## **PRESS CORPORATION LIMITED COP 2009**

PCL continues to support the ten universal principles of the United Nations Global Compact (UNGC). The Company has made significant strides particularly in the area of anti-corruption between March 2008 to March 2009 in its efforts to integrate the core values of the UNGC in its operations. We are embracing corporate social responsibility to a point where it is becoming a philosophy that should permeate all our working lives.

In order to ensure that there are consistently high standards in the way we manage our operations, we are aiming to implement certified management systems such as certification of several employees across the group as Ethics Officers by the Ethics Institute of South Africa.

We have attempted where possible, to use the Relevant Global Reporting Initiative (GRI) indicators in describing the outcomes of actions taken in 2008 and progress achieved in regard to the various principles. This Communication On Progress (COP) represents a reasonable and balanced presentation of our company's performance in relation to the various principles of the UNGC.

**Group Administration Manager**

## **HUMAN RIGHTS & LABOUR**

### **1. Employment Equity**

One of PCL's values is "Employment Equity". Thus, PCL's employment policy is based on a system of equal opportunities for all. Employment equity seeks to identify, develop and reward each employee who demonstrates qualities of individual initiative, enterprise, hard work and loyalty in their jobs. Employment is on the basis of merit rather than an individual's race, colour, creed, gender or other criterion unrelated to their capacity to do the job.

In line with this employment policy, over the past year, Executive Management (EXCO) took deliberate steps to ensure that there is female representation on all its subsidiary boards either as substantive directors or as alternate directors. EXCO is so committed to ensuring women with the right credentials participate at board level that from the last quarter of 2008, the Company embarked on a drive to increase female representation on its boards. Currently, there is a 9% female representation at board level, and the target for end of 2009 is 14%. By end of April 2009 we would have appointed two female substantive directors on two subsidiary boards, Malawi Telecommunications Limited and Press Properties Limited.

### **2. Health and Safety**

Over and above the statutory obligation as per Section 33(1) of the Occupational Safety, Health and Welfare Act to "provide and maintain a first aid box or cupboard of the prescribed standard which is readily accessible" in the place where an organization operates, PCL has gone even further. The practical activities undertaken in the past year to implement our commitment to ensuring we uphold employees' right to safety arose after two members of staff were involved in a car accident while travelling on duty. PCL now ensure s that all its company vehicles for the corporate office, including pool vehicles, are fitted with a First Aid Kit. An administrative clerk has been assigned to monitor and check usage in order to determine if any of the contents require replacement either due to usage or expiry of drugs. This exercise will be carried out at the end of every quarter of the year, beginning 31<sup>st</sup> March. An inspection will also be carried out after every reported accident/incident.

Below are pictures of one of the company's pool vehicles and the First Aid Kit



Picture of PCL Pool Car



Picture of First Aid Kit

Our goals	Our performance in	2008	2009 & future target
Develop Comprehensive Health + Safety Policy	Buy first aid kits for head office vehicles	✓	Train 4 more members of staff on delivery of First Aid
Implement training programme for additional fire marshals	Train drivers of vehicles on uses of contents	✗	Replicate First Aid delivery system in 2 wholly owned subsidiaries and in future all subsidiaries



Target achieved



Target not achieved

### **3. HIV/AIDS Policy and Non-Discrimination in Respect of Employment**

one of the core objectives of the company's HIV/AIDS Policy, which was implemented in 2003, is to seek to promote PCL's responsibility to provide a healthy and equitable work environment for all employees, including those with HIV/AIDS.

It is pleasing to note that the company and employees are adhering to the principles of the Policy. A pertinent example is that one brave member of the workplace HIV/AIDS Committee has since the implementation of the Policy, come forward and declared her status as HIV positive as part of HIV/AIDS education. She has neither suffered any form of discrimination by her fellow members of staff nor has she been subjected to any form of injustice by the remuneration systems of the company.

What still remains a challenge though, is that despite efforts such as the aforementioned to encourage employees to go for Voluntary Counseling and Testing (VCT), the percentage increase in those members of staff getting tested and availing themselves of the heavily subsidised Anti retroviral (ARV) drugs provided at the PCL Clinic is very minimal (1% increase on last year).

### **4. Provision of Health Facilities - PCL Clinic**

In keeping with its commitment to ensuring a healthy workforce, PCL established a staff welfare clinic in 1995 in order to cater for the health needs of the staff, spouses and dependents within the Press Group.

However, with the emergence of Corporate Governance, PCL saw extending the medical facility to the general public as one way of fulfilling its corporate social responsibility. In order to maintain the operations of the clinic to the required standards by the Medical Council of Malawi, the clinic charges a small fee for the services rendered. It has a well equipped laboratory but only operates outpatient services. The clinic has proved a success since its services were extended to the general public particularly because of its location in the Blantyre industrial area and also due to the speed with which patients are attended to (treated within 20 to 30 minutes). Patients do not have to suffer unbearable waiting times in long queues.



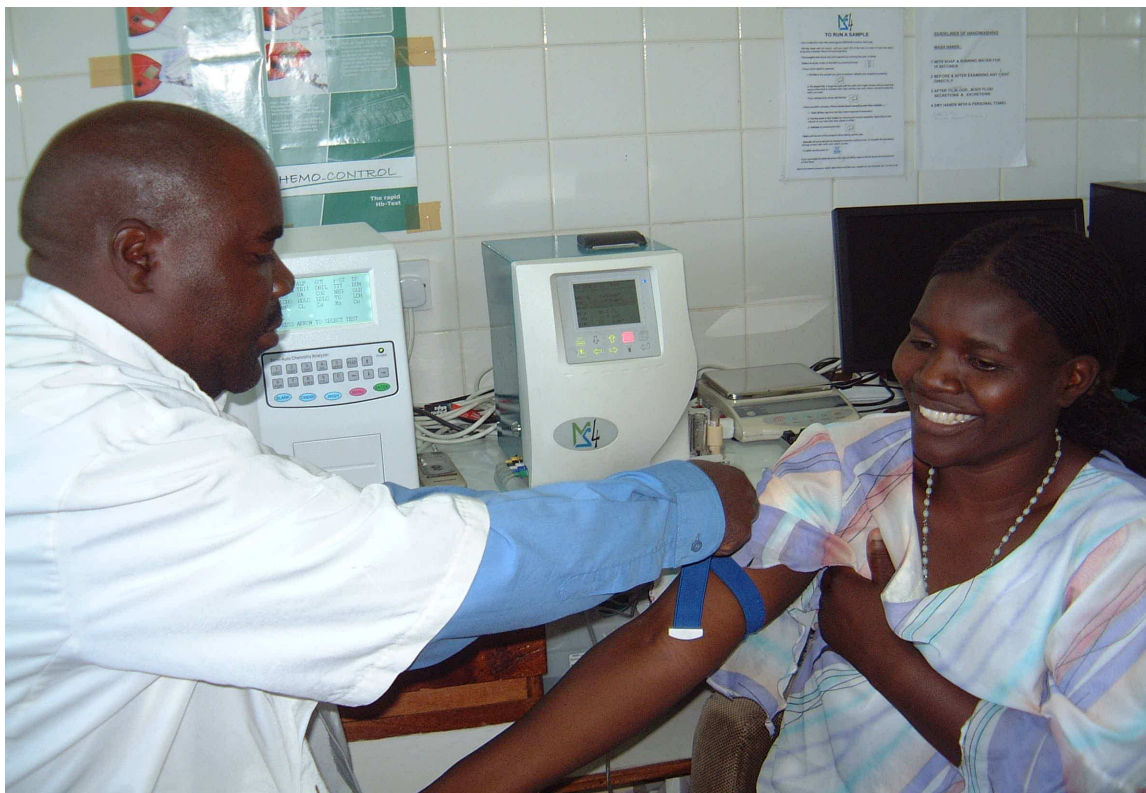
The clinic attends to over 150 patients on a daily basis and 75% of these patients are members of the general public i.e. not PCL employees or dependants.

We are proud to report that the Medical Aid Society of Malawi (MASM), through the Malawi Business Coalition against Aids (MBCA) accredited the PCL Clinic as a centre for providing subsidised Anti Retroviral (ARV) drugs funded by the Global Fund to PCL staff and the general public. It is also pleasing to note that the provision of ARVs has had an overwhelming response from the general public as evidenced by the attendance figures of 90% by the general public. In our own small way, we are assisting the government in the fight against this most terrible of epidemics that is eating into our social and economic fabric and negatively affecting the productivity and growth of our economy.



A sign post of the PCL Clinic





Picture of the Laboratory Technician at work



Picture of a nurse dispensing drugs

## **ENVIRONMENT**

### **Environmentally Friendly Technologies**

One of the Press Group's corporate commitments as regards the environment is "to develop operational policies to address the environmental impact of its business activities by integrating pollution control, waste management and rehabilitation activities into its operating procedures".

Our COP of 2008 illustrated how one of our subsidiaries, Ethanol Company Limited, had engaged in a public/private partnership with the government to run trials and tests for a flexi-fuel vehicle which can run on both petrol and ethanol which illustrates the company's commitment to embracing environmentally friendly technologies and thus promoting the environment principles of the Global Compact.

Ethanol has gone further and disseminated the benefits of alternative sources of energy, for example, the benefits of harnessing solar power.

The Electricity Supply Corporation of Malawi (ESCOM) is the sole provider of electricity in Malawi. As the energy ESCOM supplies is purely hydroelectric, it faces a lot of challenges especially during the rainy season when debris clogs the barrage that controls the flow of water on the river, which results in a lot of power cuts. It was against this backdrop that Ethanol Company felt it appropriate to do a service to the community it operates in, by supplying a solar system for a local government clinic in Dwangwa at the cost of about MK2million (equivalent of US\$14,200).

The savings generated from non-payment of electricity bills can thus be channeled towards purchase of various essential items for the running of the clinic and of course services that rely on electricity can continue uninterrupted when there is a power cut.





Picture of the local government clinic



Picture of the solar panel

## **ANTI-CORRUPTION**

PCL continues to be at the forefront of driving the anti-corruption agenda in the private sector through the Business Action against Corruption (BAAC), a collective action tool to compliment government's effort in fighting corruption as reported in our COP for 2008.

One of the main objectives of BAAC is to actively promote business commitments to fighting corruption and foster widespread support for the Business Code of Conduct and to pursue linkages with relevant national and regional business led anti-corruption initiatives.

### **Ethics Officer Training**

We are pleased to report that PCL benefited from one significant initiative under BAAC in 2008, the Ethics Capacity Building Programme which aims to educate Ethics Officers in all member organizations to enable them develop and manage ethical standards, an

ethical culture and compliance within their respective organisations. 60% of Group companies including PCL Corporate Office, signed up to send a member of staff to undergo the training, but only 40% actually did.

Within the next two months, (April & May), it is hoped that the employees who were trained will make timely submissions of practicums in order to be “certified” by the Ethics Institute of South Africa as Certified Ethics Officers.

### **Fraud Policy**

Our COP 2008 set May 2008 as a target for implementation of the Fraud Policy. This target was met and all employees were given copies of the Policy and signed letters confirming their understanding of its contents (see COP 2008) and vowing to adhere to it. Copies of the signed letters were placed in the employee’s personal files. We plan to get employees to recommit to upholding the provisions of the Fraud Policy on an annual basis.

### **Whistle blowing hot-line**

As an extension of the Fraud Policy, the Company in January 2009 subscribed to Tip Offs Anonymous, a whistle blowing hot-line service provided by Deloitte. This can be used by those of the Company’s employees that have reservations about using the internal reporting mechanisms set out in the Fraud Policy.

### **Contribution to the National Anti-Corruption Strategy**

The Company’s Group Chief Executive, Dr Mathews Chikaonda, was the Chairman of the Blue Ribbon Committee that worked on the drafting of the National Anti-corruption Strategy which was launched by the Head of State, Dr Bingu wa Mutharika on 5<sup>th</sup> February 2009. This highlights that the impetus for entrenching a Zero Tolerance attitude to corruption comes from the top of our organization and filters its way down.

It is hoped that the initiatives and policies in place will go a long way in creating an environment which is conducive to reporting fraudulent activities without fear of reproach and hence resulting in an atmosphere where business can thrive.

### **DISSEMINATION OF OUR COP**

Our COP will be shared with our employees by posting it on company notice boards and with other stakeholders by incorporating it in our Annual Report and pasting it on our website.