



BIDCO OIL REFINERIES LTD.
UN-COP REPORT 2014

Communication on Progress


Year: 2014

Statement of Continued Support of the UN Global Compact

I am pleased to confirm that Bidco Oil Refineries Ltd. supports the ten principles of the United Nations Global Compact in respect to Human Rights, Labour rights, the Environment and Anti-corruption. With this communication, we express our intent to support and advance those Principles within our sphere of influence. We commit to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company and undertake to make a clear statement to our employees, partners, clients and to the general 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 to the Global Compact Network annually according to the Global Compact COP policy.

Sincerely Yours,

A handwritten signature in black ink, appearing to read 'Vimal Shah', with a long horizontal flourish extending to the right.

Vimal Shah

CHIEF EXECUTIVE OFFICER

Company name: Bidco Oil Refineries Ltd.

Sector: Manufacturing

Number of employees: 2020

UN Global Compact signatory since: October, 2009

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Brief description of BIDCO's nature of business

Bidco is one of the leading FMCG companies in Africa, dealing in the processing and marketing of edible oils, cooking fats, margarine and hygiene products. Bidco has a strong Africa based heritage that dates back to the early 1970's and seeks to attain and accelerate growth to gain over 51% of the Africa continent market share and provide world class customer service as a global entity. The company produces high quality, popular products with a vision of becoming the market leader throughout Africa by 2030. We believe that the greatest asset to any business is the customers. We are therefore committed to winning our customers loyalty to BIDCO products forever.

Scope of this COP

This report indicates actions that Bidco Oil Refineries Ltd has taken to implement the Global Compact principles during previous years since we joined the United Nations Global Compact. It also indicates where the company management has undertaken specific steps to implement and then measure the results of actions in different areas. Precisely, this report covers all the four areas of UN Global Compact principles namely; Environment, Labour, Human Rights and Anti-corruption.

Environment

UN Global Compact principles covered:

Principle 7: Business should support a precautionary approach to environmental challenges

Principle 8: Business should undertake initiatives to promote greater environmental responsibility

Principle 9: Business should encourage the development and diffusion of environmentally friendly technologies

Environment Current

Commitment

BIDCO understands that its activities occasionally affect the environment and the Communities in which we operate. The company believes that it has a responsibility to identify and manage these impacts as effectively as possible.

A brief description of our Processes, Policies or Systems

- We are totally dedicated to preventing pollution in order to assure protection of human health and the environment and are committed to achieve its continual improvement through the effective operation of the environmental management system.



Bidco United team and Staff members plant trees at the Aberdares in a bid to protect it from pollution, encroachment and human/wildlife conflict.

Environment -Future

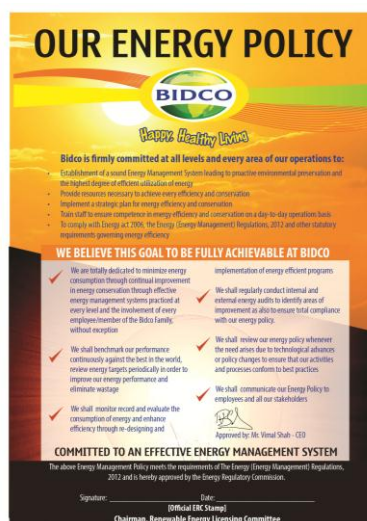
Future

Activities planned for next year

- *To ensure that we involve all our employees and suppliers in our environmental initiatives being undertaken by the company. This will involve trainings and seminars for our staff on the importance of environmental conservation.*
- *To ensure that we minimize on paper wastage. In all our activities, we intend to minimize paper usage. Printing and photocopying are only recommended when absolutely necessary. Bidco employees are required to include an exclaimer on **considering the environment before printing any e-mail**, in their email signatures.*

Energy

- We aim to ensure that our kitchen appliances are energy efficient and that they release the minimum amount of waste product.
- We monitor record and evaluate the consumption of energy and enhance efficiency through re-design and implementation of energy efficiency programs since it's a vital input into our business operations. Accordingly, we have an energy policy statement.



- We review the environmental policy and targets from time to time in order to minimize resource consumption and improve our environmental performance.
- We review the policy, where necessary, to ensure our activities, products and services are appropriate to nature and have no adverse effects on human health and the environment.
- We communicate our environmental policy to all our stakeholders. Measurement of outcomes and value added for our company.
- Employees are fully aware of what is expected of them as far as the ten principles are concerned.
- We have managed to set clear guidelines and policies to guide all stakeholders in the implementation of the principles.

Activities implemented in the last year

- ✚ With a state of the art recycling system (Effluent Treatment Plant), Bidco has minimized environmental pollution and damage by our waste products. We recycle water through our treatment plant thus there is no waste.
- ✚ We now use Cogeneration for our production, which is environmental friendly, in many ways. It eliminates unwanted solid wastes from the environment; it has less emissions and significant reduction in greenhouse gas emissions. The plant lowers primary energy consumption, reduced energy bills, no transmission and distribution losses and less burden on national government for power generation.

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

Current

BIDCO is an equal opportunity employer. The company is committed to providing equal opportunities to all workers and job applicants. It aims to ensure that no job applicant shall receive less favourable treatment on the ground of sex, marital status, sexual orientation, race, colour, religion or belief, nationality or ethnic or national origin.

A brief description of our Processes, Policies or Systems

- The company does not treat an employee or job applicant less favourably for any reason relating to their disability.
- BIDCO does not utilize or promote forced or child labour of any kind. The company adheres strictly to country laws governing labour standards. Employees should all be over 18years.
- BIDCO aims to attract and retain skilled employees and enhance the life/work balance of each individual. The group offers its staff a range of benefits including a pension scheme, health insurance as well as maternity and paternity leave amongst others.
- Also available to employees are personal development and training programs designed to enhance the employee's skill base.
- All employees are responsible for complying with this principle and for ensuring that the standards of behavior required by the company are observed.

- BIDCO regards direct or in direct discrimination, victimization and harassment. All breaches of this principle are regarded as a serious disciplinary matter and are subject to Company's Disciplinary procedure.
- We ensure that people living with HIV or AIDS are given the same rights, benefits and opportunities as people living with other life – threatening conditions. We have thus put in place a HIV/AIDS Policy to ensure it is clear and observed.
- Bidco cares for the employees' nutrition and healthy eating habits, and thus we have an in-house Cafeteria which provides food to all for free.

Labour Rights Future

Activities planned for next year

- ✚ To involve all employees and other concerned stakeholders in the implementation of labour rights principles and the Government of Kenya newly introduced labour laws and also provide training on Labour rights.
- ✚ To ensure that the employee Wellness programs are conducted regularly, as Bidco believes that employees are the most valued assets. The Bidco Peer Education group will be the main organizers.



Girendra Singh of Bidco Peer Education Group giving a talk to Mt. Kenya University Students on career opportunities available at Bidco Oil.

As a result of the already implemented policies, we have had no major labour conflicts and this has led to cordial working relations between management and staff.

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

Current

Commitment

BIDCO supports the Universal Declaration of Human Rights in all its spheres of influence. Bidco in line with its policy of “happy healthy living” is firmly committed to the provision of a healthy and safe working environment for its staff. We document, effectively implement and maintain an Occupational Health and Safety Management System that meets the requirements of applicable legislation.

A brief description of our Processes or Systems

- We identify, effectively control and strive to eliminate situations likely to cause injuries to persons or be hazardous and cause damage to assets
- BIDCO records all accidents and/or near misses and investigates these to determine if preventive action is required to prevent further accidents
- We regularly measure our performance and review this policy periodically in order to continually improve our Occupational Health and Safety Management System ensuring that it remains relevant and appropriate to our organization.
- We encourage the full participation of our employees and other stakeholders in matter concerning Occupational Health and Safety
- We communicate our health and safety policy to all our stakeholders.
- As such, we do not require HIV screening as part of pre-employment or general workplace physical examinations.

- We conduct consumer satisfaction survey every quarter in order to ensure that all our products and services are in compliance with ISO satisfaction.

Activities implemented in the last year

- Offered educational support to school going children of our members' staff and also supporting high school students for the 4-year program.
- Bidco has a policy of all employees assembling together in their different departments to hold hands and recite the Kaizen pledge which signifies that Bidco employees should always be together working as a team.



Bidco Staff reciting the Kaizen Pledge

- Working with over 10,000 farmers in Western part of Kenya where we train them on the best agronomical practices. We also give them ready market for all their produce
- Trained over 80 Peer Educators across the factory to educate our people on the impacts of HIV/AIDS and how to live a positively.

Measurement of outcomes and value added for our company

- There is an overwhelming fulfillment in making other people's lives better
- Registered significant increase in the confidence and commitment levels in the part of our members staff

- Productivity levels also shot up significantly due to the efforts being implemented by the company towards ensuring the well-being of its employees.
- The full implementation of our OHS policy has been uploaded by all stakeholders including employees and government agencies

Human Rights Future

Activities planned for next year

- Training on human rights to sensitize people on their different rights.

Anti-corruption

UN Global Compact principles covered:

Principle 10: Business should work against corruption in all its forms, including extortion and bribery.

Current

Commitment

We remain committed to implementing the 10th principle of anti-corruption and ensuring its total elimination in all its forms, including extortion and bribery

A brief description of our Processes or Systems

- There are clear guidelines and policies on anti-corruption which the company sensitizes its people. Corruption remains an offence in Bidco and the offence is punishable by termination and prosecution.
- We also have a policy in place to curb any conflict of interest and to ensure that all tenders are analyzed and opened before a panel to ensure transparency and accountability.

Activities implemented in the last year

- We have management systems to establish whether there are any breaches. There are fully trained internal auditors selected from across all departments and also external auditors for statutory purposes. We have had no major breaches or audit issues
- Bidco provides training and awareness Company-wide sessions which are carried out to improve staff knowledge on matters related to fraud and corruption.

Measurement of outcomes and value added for our company

Members of staff and other stakeholders are slowly appreciating the importance of ensuring that our systems need to be corruption free for efficient and fast delivery of services. This is as result of the ongoing sensitization on corruption.

Anti-corruption Future

Activities planned for next year

More sensitizations and training seminars

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

This Communication on Progress will be published internally on our intranet as well as on the company website.

Donations, awards

Bidco supports the community in various activities among them are:

- An Education Trust Fund from which it gives scholarships to bright but needy students in high schools, colleges and universities within and around Thika.
- We believe that in order to achieve vision 2030, we should not just help the less fortunate with what they need today but also help them in generating activities that they can be self-sustaining for the future, and thus we have different projects that we do continuously that are self-sustaining to different homes and institutions.

- The company also supports several charitable organizations and institutions within and around Thika town through monthly donation of its products. Most of these institutions depend on these donations entirely for their upkeep. The company aims to transform the lives of its people, customers and stakeholders positively through giving back to the society as a way of thanking them for their continued support.



Donations of hygiene and personal care products made to the Thika Prisons



Monthly donations made to Ah-Gah-Pay Mercy Children's home.