

UN Global Compact Communication on Progress May 2014 – May 2015

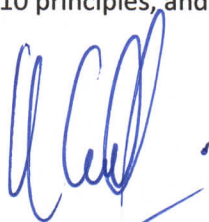
Statement from the Managing Director

As with each passing year, in 2014/2015 we have overcome challenges as we have been presented with them, whilst remaining steadfast in our commitment to maintaining the principles of the UN Global Compact at the heart of everything we do. Our principles relating to human rights, labour, the environment as well as our resolute stance against corruption are prominent in all our activities, and we hope we can carry this in to the future alongside more of our local counterparts.

2014/2015 presented several challenges, which included working alongside smaller community farmers known as outgrowers. Alongside the additional logistic challenges this posed, there was particular need to focus on ensuring the communities we were working alongside did not breach human rights and labour regulations. In doing so we took the upmost care in entering into contracts that made clear we would not be party to any such breaches.

Whilst being a company founded on the basis of providing an alternative to fossil fuel combustion in Europe, we hold environmental challenges very dear to our core objective. As such we have continued to utilise a logistics chain that preserves the plantations we work in, allowing replanting of rubber trees to occur quickly and efficiently. Furthermore, we have commissioned studies showing that the use of woodchips from West African origin represent an 80% decrease in emissions from the standard European energy mix.

In our fourth year of commitment to the UN Global Compact we are as committed as ever to uphold these 10 principles, and look forward to continue being bastions of this cause.



Jean Francois Guillon
Managing Director

Summary of practical actions taken to implement the UN Global Compact

London, May 2015

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Human Rights

We strongly support and believe in all principles in the Universal declaration of human rights and are fully committed to respect and promote them across the entire business. As part of our business model, we exclusively operate with residues from commercial plantations, thus do not effect the habitat of indigenous people, local food supply and all other human rights. We conduct training as part of our commitment towards the FSC on both health and safety, as well as on human rights – All of our workers are, as we . Staff are educated about human rights issues and our commitment to the ten UN Global Compact principles.

Africa Renewables promote human rights and especially equality between human being by promoting local socio-economic development in the West African countries where we are settled. Selling part of our products locally supports the local energy market whose expansion will largely influence the whole economy. Our presence in those countries also boost the local economy thanks to other factors like additional job offers, technology transfer and input of hard currency.

We also ensure that all our stakeholders respect our values and particularly the Human Rights principles. As a part of the agreement for the purchase of biomass, plantations have to direct our finances toward their Corporate Social Responsibility programmes. For example, Ghana Estate Rubber Limited (GREL), one of the plantations we work with, contribute to Ghana's education system with schools construction and scholarships. Its mother company, SIFCA, adopted and support a plan to fight HIV and AIDS.

Labour

We ensure that our recruitment and dismissal procedures are fair and cannot imply any discrimination. In a case of a worker misconduct, we give warnings rather than firing the offending straight away. A case of theft can however be a reason not to respect this rule, but absolute proof of the fault must be provided before any dismissal. Electronic monitoring probes have been installed on all our equipment and are able to provide evidences of irregularities. They protect all employees from an abusive dismissal and can also be used to avoid mistreatment.



All staff have contracts of employment that lay out their freedoms, rights and entitlements as employees of the company. Their rights include the right to join trade unions and extra payment for overtime hours. Health and safety training are also organised to educate our staff about possible risks and hazards in their work and procedures to mitigate it. We ensure the provision of adapted safety equipment to all our employees that work in hazardous environments. Our health and safety policy allowed for safer working environments and resulted in zero work related casualties these past two years. All our employees are also entitled to a universal healthcare insurance that covers them entirely for any medical expenses.

Regarding to labour issues, we ensure that our stakeholders have the same level of standards. SIFCA and its filial GREL implemented a standardized health and work safety policy. They also have a programme that foster access to accommodations for their workers.

Environment

Africa Renewables provides global industry with an alternative, renewable source of energy. By providing biomass that can alleviate the reliance of fossil fuels we are proud to be part of the global green revolution. To ensure our product has a real impact on energy carbon emission, we commit to respect strong sustainability principles for our supply chain. All these principles can be found on Africa Renewables website.

Equipment we use to harvest wood and produce biomass are carefully selected to provide a trade-off between production rate, carbon emission and weight per square centimetre to prevent soil erosion. We commit not to illegally harvest forest and to only use wood residues that were previously left decay or burnt on-site. The surplus of income we give to plantation managers and our logistic chain of extraction that prepares the ground for replanting help plantations to reach sustainability. By promoting sustainable replanting programmes, we fight against primary forest deforestation. We also commit not to threaten biodiversity.

All these sustainability commitments and their concrete applications in our supply chain make our product fulfil all requirements of standardized wood policies, like the Forest Stewardship Council (FSC) Controlled Wood Standard and the European Union Biomass Sustainability Guidelines. A study we commissioned to assess our carbon footprint found that our biomass can reduce a power plant carbon emissions by up to 92% in instances of coal fired facilities, and 82% as compared to the overall European energy grid.

In term of environmental standards, we also demand strong sustainability commitments from our stakeholders. SIFCA and GREL commit both to respect their environment charter including waste management and biodiversity policies.

Anti-Corruption

Africa Renewables fully commit to fight against any corrupt practices in the group. Several actions and procedures are taken to ensure this is respected. All our accounts are audited every year (?). All transactions from new stationary purchase to diesel requests are conducted through requisition requests that are handed out to each department. All in flows within the company are checked against invoices presented, and all out flows of money is against invoices received. Any cash handling is accepted against vouchers issued against an individual and signed for.



Our stakeholders also implement policies to prevent corruption in their companies and we ensure that all of them are audited.

We strongly think that all our ethical policies and procedures show our commitment to the ten principles of the UN Global Compact. We feel that the work we do to maintain a high level of social responsibility for human rights, labour, environment and corruption issues and the concrete outcomes it has for our business, our staff and our stakeholders place us in good stead to continue to be part of the UN Global Compact.



Africa
Renewables
Group.