



*Happy, Healthy Living*

**COMMUNICATION ON PROGRESS FOR BIDCO AFRICA LIMITED**

# UNGC ANNUAL REPORT

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## **STATEMENT OF CONTINUED SUPPORT OF THE UNITED NATION GLOBAL COMPACT**

I am pleased to confirm that Bidco Africa supports and binds itself in all our operations to the ten principles of the United Nations Global Compact in respect to Human Rights, Labour rights, the Environment and Anti-corruption.

Through this report, we strongly reiterate our commitment to advance the principles of Global Compact within our spheres 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 be 'Vimal Shah', written over a horizontal line.

**Vimal Shah**

**CHIEF EXECUTIVE OFFICER**

**Company Name:** Bidco Africa Limited

**Sector:** Manufacturing

**Number of employees:**

**UN Global Compact Signatory since:** October, 2009

**Contact Person:** Dipak Shah

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## **Brief description of BIDCO's nature business**

BIDCO Africa is East Africa's leading FMCG manufacturer and marketer of edible oils and fats, margarine, hygiene and personal care products and animal feeds.

BIDCO Africa is a homegrown company with a 30 year heritage and are the custodians of some of Kenya's most loved brands.

We produce high quality, popular products and aim to become No 1 in African markets by the year 2030. We want to grow ethically and sustainably.

We are an agri-business enterprise that believes in inclusive growth. We are also extremely customer centric and will continue to consistently strive to offer our consumers the best value in the market.

## **Scope of this COP**

This report covers actions and initiatives that BIDCO Africa has taken to implement the Global Compact principles during the last one year. It also indicates where the company management has undertaken specific steps to implement and then measure the results of actions in different areas. This report covers all the four areas of UN Global Compact principles namely; Human Rights, Labour, Environment and Anti-corruption.

## **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 make sure that they are not complicit in human rights abuses**

## ***Current Commitment.***

BIDCO Africa supports the Universal Declaration of Human Rights in all its spheres of influence. In line with our corporate promise of “happy healthy living” Bidco is firmly committed to the provision of a healthy and safe working environment for all its staff.

We document, effectively implement and maintain an Occupational Health and Safety Management System that meets the requirements of all applicable legislation.

## **A brief description of our processes, policies 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 matters concerning Occupational Health and Safety.
- We communicate our health and safety policy to all our stakeholders.

We do not require HIV screening as part of pre-employment or general Workplace physical examinations.

## Activities implemented in the last year

- Engaging employees in free self-building activities like Yoga events which help them improve their well-being.



*1<sup>st</sup> International Yoga day at Nairobi University, Kenya sponsored by United Nations and Bidco Africa limited.*

## Measurement of outcomes and value added for our company

- The security and safety felt by employees boosts morale and raises productivity
- The full implementation of our OHS policy has been applauded 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.

## Labour rights

### UN Global Compact Principles covered:

**Principle 3: Business should uphold the freedom of association and effective recognition of  
The right to collective bargaining**

**Principle 4: Business should support the elimination 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 Africa, 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 favorable treatment on the ground of sex, marital status, sexual orientation, race, colour, religion or belief, nationality or ethnic or national origin.

Bidco Africa remunerates employees fairly and pays above the minimum gazetted wage. Our employees are free to join the union(s) of their choice and continue to enjoy freedom of association.

## **A brief description of our Processes, Policies or Systems**

- The Company does not treat an employee or job applicant less favorably 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. Similar policies have been adopted across the supply chain as well as far as possible.
- BIDCO aims to attract and retain skilled employees and enhance the life/work balance of each individual.
- BIDCO offers its staff a range of benefits including access to pension scheme, medical facilities as well as maternity and paternity leave amongst others, free meals and transport.
- Employees are frequently offered personal development and training programs designed to enhance their skills.
- BIDCO regards direct or indirect discrimination, victimization as 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/AID 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 free food to employees. Additionally BIDCO continues to support sporting activities under the banner of BIDCO UNITED which hosts the Football club, Pedal Cart Team, Volley Ball Team, Taekwondo, Yoga & fitness programs,

## **Labour Rights – Future**

### **Activities planned for year 2016**

- **Bidco has voluntarily entered into a collective bargaining agreement with its unionized employees. The CBA will be implemented and operational within the next few months.**
- **Wellness and personal growth activities based on Happy Healthy Living.**



# 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 Responsibilities**

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

## *Environment Current Commitment*

BIDCO Africa 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.
- We run an effluent treatment plant (ETP) to treat all our waste water to ensure that we release clean water back to municipal sewer.
- We recycle waste water from our RO plants and use the same for cleaning our facilities.
- We have internally stringent parameters for monitoring our COD and BOD emissions.

## **Environment –Future** *Activities planned for next year*

**We will continually seek to improve our environmental management system.**

# Energy

- We aim to ensure that our entire business is **energy efficient** and that we consume power responsibly without any wastage.
- We monitor record and evaluate the consumption of energy and use the analyses to enhance efficiency
- We use LED lights in our premises
- We run a Co-gen plant that uses bio-waste from neighboring industries to generate our own electricity

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.
- 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

- Bidco ensures that we conform and where possible exceed all environmental regulations.
- Over the last year, we engaged in communal environmental activities around the very industrialized Thika town.
- We have reduced our carbon foot print through the optimization of the Co-Generation power generation plant.



*Bidco Africa employees cleaning the environment around Juakali industries in Thika.*

## 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**

- We have clearly demarcated governance structures that all employees are aware of and that have the full backing of the senior management.
- We have guidelines and policies on anti-corruption. 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 implemented the concept of “Contract & Price Fixing Team” to fast track smaller contract requirements. This has eliminated the lengthy process of tendering.
- We also implemented the good governance vendor trading terms and conditions and documentation process. This has assisted on the risk management process to ensure that the Company trades only with legitimate suppliers who are also operating on the philosophy of Good Corporate Governance.

### **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***

- **The journey of good governance will continue**
- **Corruption will not be tolerated and any matter coming to light will be dealt with very seriously.**
- **To set up a discreet whistle blowing mechanism.**

### **How do we 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 and 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 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 structurally as a way of thanking them for their continued support.





*Sponsor donations made to Liberty children's home through NPC Buruburu.*



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

