UNITED NATIONS GLOBAL COMPACT COMMUNICATION ON PROGRESS (COP) 2016



MABROC TEAS (PVT) LTD From: January 2016 To: December 2016

1.0 Statement of Continued Support

16th January 2016

To Our Stakeholders,

With all the difficulties experienced in the international market place during the year 2016, Mabroc Teas continued communicating the commitment to the principles of the United Nations Global Compact reaffirming the Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption.

We are pleased to announce that Mabroc Teas has taken initiative to join "Puritas Sath Diyawara" project to supply clean drinking water to the less fortunate people in the North Central Province of Sri Lanka.

We would like to take this opportunity to wish the United Nations Global Compact continued success in their endeavors in promoting these noble principles around the world.

Yours Sincerely,

MABROC TEAS (PVT) LTD.

Niran Ranatunga Managing Director

2.0 Mabroc Teas Corporate Sustainability Programme: Tea without Tears

Tea without Tears (TWT) is our way of taking care of our most valuable asset, our human resources irrespective of designation or seniority; it is them who make up the Mabroc family. Each and every person engaged in the company contributes his / her might in creating the fine quality tea that Mabroc is reputed the world over. Tea without Tears was started in 2008 by our very own employees. During the period of 2016 we accomplished quite a few projects and we have listed some of them in this report.



3.0 Description of Actions

3.1 Human Rights

Mabroc Teas supports and respects the protection of human rights within our sphere of influence and wish to promote it continuously. We ensure that our Corporation is not complicit in human rights abuses.

During the Year 2016:

- New Uniforms, Headwear & Footwear, Protective wear were given to employees.
- Employees received incentive payments for quality and quantity of work done in addition to the monthly salary.
- A series of On-the-Job Seminars were organized on self-motivation and food safety management in the Workplace to benefit the employees.
- Mabroc Teas conducted an annual employee's survey to gather information about how people feel about the working environment at Mabroc Teas (Pvt) Ltd. This information will be used to improve the working environment of the employees.
- Conducted a Multi Religious Ceremony Day for all the employees by conducting respective religious ceremonies in the premises.
- Company organized a Dengi eradication program give awareness to the neighboring people about prevention of Dengi disease and all the neighboring

- areas and houses were fumigated to eliminate the Dengi mosquito threat.
- The company organized "Poson Dansela" on Poson Poya day to serve Ice Cream free for the school children and other neighboring people.
- The screening of our supplier base to ensure that they practice human rights in their work place.
- We review our suppliers annually to ensure we do business with suppliers who conform to the UNGC ten principles.



Fig1. Dengi Irradication program conducted by Mabroc Teas (Pvt) Ltd.



Fig 2. Poson dansela 2016

• Mabroc has taken initiative to join the Hayleys PLC in their "Puritas Sath Diyawara" project.

The Sathdiyawara community project initiated by Hayleys PLC, is engaged in supplying clean drinking water to the less fortunate people in the North Central Province of Sri Lanka.

The people in the North Central Province (Dry Zone) is plagued with a kidney disease called the "Chronic kidney disease" due to the consumption of un-purified drinking water causing many deaths in the area.

As a responsible conglomerate, Hayleys launched this project where, all affiliated Companies can undertake to supply clean water to a selected Village in the affected areas.

We at Mabroc Teas have decided to participate in this noble program and selected "Dutuwewa" village of Galenbindunuwewa DS division . (A rural village in Anuradhapura, Sri Lanka) This village has a great need for Purified drinking water and the project will be benefitted to quench the thirst of more than 2,000 people with clean water.

The project was started on 6th October 2016 by laying the foundation for water

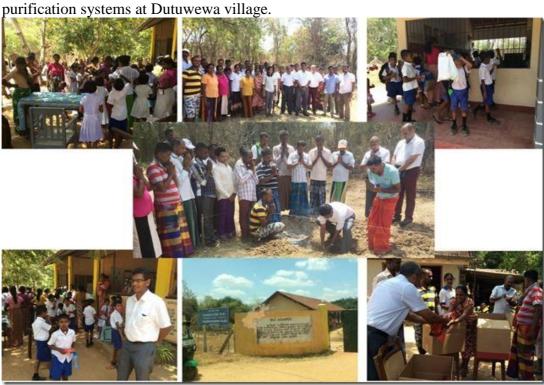


Fig 3. Puritas Sathdiyawara project

3.2 Labour

The elimination of all forms of forced, compulsory labour and the elimination of discrimination in respect to employment and occupation.

During the Year 2016:

- Weekly medical checkups were initiated to maintain good health conditions of our employees.
- Donated cash and dry rations to the employees who are affected by the flood in May 2016.
- Dry rations were distributed among employees for the Sinhala and Tamil New year 2016.
- Company has organized a two day trip and workshops for every employee in the staff to improve the quality of life and team work.
- Organized a year end book donation for the children of our employees so that they could commence the New Year at school with all their book requirements.
- Company has started to grow vegetables in premises and employees were benefited with the fresh vegetables grown in the Mabroc premises.
- Company has conducted a long service award ceremony to pay gratitude for the employees who has been working with the Mabroc for a long period.



Fig 4. Weekly basis medical checkup in Mabroc Teas premises





Fig 5. Employees benefited with the vegetables grown in Mabroc Premises.







Fig 6. Year-end book donation 2016



Fig7. Donations to flood victims



Fig 8. Annual Trip and workshop



Fig 9. New Year donations



Fig 10. Multi religious ceremony

3.3 Environment

Mabroc Teas undertakes initiatives to promote greater environment responsibility and encourage the development and diffusion of environmentally friendly technologies.

During the Year 2016:

- Mabroc Teas continues to support the Rainforest Alliance and EU Organic Certifications for 2016; both initiatives promote biodiversity conservation and sustainable community development by motivating traders and consumers to support sustainability.
- Mabroc Teas is carrying out independent tests through SGS Lanka (Pvt) Ltd to evaluate the Maximum Residue Limits (MRL) for pesticides in tea.
- The company replaced all the conventional bulbs in the factory and office into CFL bulbs as we were able to minimize energy consumption.
- Mabroc Teas is promoting Organic Tea products and our company is certified by Control Union Sri Lanka by confirming our Organic production methods are in accordance with EU organic standards.
- As per the company request one employee was participated successfully in the training program on Environment Management Systems conducted by National Cleaner Production Centre in Sri Lanka.
- A Sharamadana campaign was conducted to clean the canal near the Mabroc premises.







Fig 9. Shramadana campaign

3.4 Anti-Corruption

Business should work against corruption in all its forms including extortion and bribery.

Our company is fully committed against bribery and corruption. We conduct our business in a very transparent manner and maintain a highly ethical way of doing business. We encourage our suppliers and contractors to maintain this high standard and work against all forms of corruption.

4.0 Measurement of Outcomes

Subject	2015	2016	Target for 2017
Recycling of Waste Paper	370 Bnds	390 Bnds	400Bnds
Number of Operational	0	0	0
Accidents			
Quality Management	ISO 9001:2008,	*ISO 9001:2008	*ISO 9001:2008
Certificates	ISO 22000: 2005	*ISO 22000: 2005	*ISO 22000: 2005
	HACCP	*HACCP	*HACCP
	FSSC 22000	*FSSC 22000	*FSSC 22000
	Rainforest Alliance	* Rainforest Alliance	* Rainforest Alliance
	Ethical Tea Partnership,	*Ethical Tea Partnership	*Ethical Tea Partnership
	EU Organic Certification.	*EU Organic Certification	*EU Organic
	*GMP – Certified by the	*GMP – Certified by the Sri	Certification
	Sri Lanka Tea Board	Lanka Tea Board	*GMP – Certified by the
			Sri Lanka Tea Board
			BRC
Number of Training	29	35	40
Programs			
Number of On-the-Job	30	35	40
Seminars			
Printing Paper	430 Bnds	450 Bnds	400
Consumption			
Printing Toner	Rs. 600,000.00	Rs. 551,000.00	Rs. 500,000.00
Consumption			
Budget for Staff Welfare	Rs. 5,500,000.00	Rs.5,693,694.97	Rs. 6,000,000.00
Budget for Staff Insurance	Rs. 602,250.00	Rs.1,035,379.82	Rs. 1,100,000.00
Budget for Security	Rs. 2,776,304.00	Rs.3,364,792.67	Rs. 3,400,000.00
Water Consumption	Rs. 325,000.00	Rs.369,002.48	Rs.300,000.00
Electricity Consumption	Rs. 7,000,000.00	Rs.5,928,591.55	Rs. 5,500,000.00

Our contact details for stakeholders.

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