

# PARAMOUNT



## SOCIAL REPORT 2017

SAFARIWEAR



## PARAMOUNT EXPORTS (PVT) LTD

### SOCIAL REPORT 2017

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# INTRODUCTION / STAKEHOLDERS

## I. INTRODUCTION

Paramount Exports (Pvt) Ltd is a private Enterprise established in 1948. The Family-Business in its 3rd Generation has become the leading Manufacturer of Protective Clothing in Zimbabwe as well as the leading distributor of Work Safety Products in Zimbabwe. Besides its local strong-hold 50 % of its Production is being exported of which 60% to neighboring countries especially South Africa and the rest to Europe Germany. Most of its qualified workforce as well as Management Staff have been with the company for many years. The (Pvt) Ltd Company has three major production plants:

- Paramount Garment Works (Pvt) Ltd, Harare
- Archer Clothing (Pvt) Ltd, Bulawayo
- Paramount Elastics and Tapes (Pvt) Ltd, Harare



The following is an attempt to explain our value's., which we also encourage our stakeholders to respect. We are committed to achieving our sustainability goals and to a continual improvement process monitored by self-assessment.

## II. STAKEHOLDERS

- Owners
- Management
- Staff
- Customers
- Contractors
- Suppliers
- Community
- Government Authorities
- Associations



## III. SUSTAINABILITY

Our motivation comes from the human desire to improve our lives as well as the awareness that our personal and the company's well-being are not isolated from our environment and cannot exist and prosper without considering and supporting our stake-holders. In order to hold ourselves accountable and instill confidence regarding our commitment to international quality and sustainability-standard as well as procedures we had decided to become

- ISO 9001 certified
- Member of the UN Global compact/ISO 26000
- Environment Africa Gold Member
- Oekotex Standard 100 certified

We have appointed a team that can focus, lead and guide our values and commitments:



**Bain Adcock – Textile Engineer**

is responsible has been elementary in getting ISO 9001 certified and as leader of the Management-Team still holds the leading capacity



**Patience Dzingai - MBA Business Admin**

has been newly appointed as CSR coordinator and has been asked to extend our commitment

We have also enrolled Franz-L. Keck (CSR-Manager Vorest AG, Germany) to assist and advise.

## IV. CODE OF CONDUCT

In consultation with the stakeholders mainly from within Paramount and considering the human rights Principles we have established OUR VALUES; CODE OF CONDUCT AS WELL AS GENERAL BEHAVIOUR (which in our local languages is called HUNHU and UBUNTU) . This Code of conduct has been formulated on a separate document (attached)!

## V. SELF-ASSESSMENT

Building on our last year's report and self-assessment we have tried to structure, consolidate and substantiate more facts and achievements in the various fields. More effective access to relevant data will increasingly enable us to monitor and make improvements in the following areas.

### 1. HUMAN RESOURCES

- Gender
- Prohibition of child labor
- Working hours
- Collective bargaining/works-council
- Staff awareness
- Clinic
- Training
- Project: Deaf Inclusion/support plan

### 2. ENVIRONMENT

- Water
- Energy/Electricity
- Waste-Management
- Usage of materials
- Project: Environment Africa
- Staff awareness

### 3. STAKEHOLDERS

- awareness
- Government/Compliance
- Other institutions

### 4. COMMUNITY

- Football-team
- School visits
- Donation

## 1. HUMAN RESOURCES

### GENDER

Paramount believes excellence doesn't distinguish between genders. Equality in salaries is guaranteed for all the employees. Paramount wants to create a work environment that does not discriminate and is free of any form of harassment. The Graphs below show the total number of employees of different gender as well as in management positions



### DISPUTES / SEXUAL HARASSMENT / HUMAN RELATIONS

We live in a society encourages social integration and human considerations. There have been claims of sexual harassment but it was difficult to get a clear picture and find proof. Human resources department together with the Works council came up with a works council agreement that requires the offended person to make a clear NO-statement ideally in public. If the offender persists it becomes a disciplinary issue.

### CHILD LABOUR

Paramount has over the years been consistent with the international child labor laws e.g. the UN Convention on the Rights of the Child, 1989, the ILO Minimum Age Convention, 1973 (No. 138), and the Worst Forms of Child Labor, 199 (No. 182). At national level the Zimbabwe Labor Act states that the general minimum age for entry into employment is 15 years. In tandem with the above Paramount prohibits the employment of underage children. Currently all employees are above 18 years old which is the Zimbabwean legal age of majority.



# HUMAN RESOURCES

## WORKING HOURS

Paramount follows the guidelines provided by the Collective Bargaining Agreement which stipulates that employees are required to work for no more than 45 hours a week. In circumstances where workers are required to work overtime Paramount pays on stipulated rate which is 1.5 on normal days and double rate on public holidays. Overtime work is only executed after a mutual agreement is reached between the workers and the employer.

## COLLECTIVE BARGAINING

Paramount acknowledges collective bargaining as a fundamental right of employees. Workers are provided with the platform for negotiating for their working conditions, health and safety, training and working time. Adhering to this policy has resulted in employer satisfaction as they feel that the company is passionate about their well-being.

The Collective Bargaining Agreement S.I 1 of 1999 of the Clothing Industry and Section 4 of the Labor Relations Act 28:01 provides for *“Employees’ entitlement to membership of trade unions and elected workers committees who represent the workers needs at the work place.*

## WORKS COUNCIL

This refers to a group of employee’s representatives that represents workers in discussions with the employers. Paramount’s employees elect their representatives yearly .The workers committee represents the workforce in all the issues that pertains to workers welfare. The management will not make a decision that involves employees without consulting the employees. Workers council meetings are held whenever each party feels there is an important issue to be discussed .An agreement is made between the parties the workers committee therefore communicates the message to the workforce.

Year	2014	2015	2016	2017
Elected workers representatives	Yes	Yes	Yes	Yes
Number of Works council meetings	10	8	6	5
Number of GDC Hearings	30	33	14	11



## FREEDOM OF ASSOCIATION

Freedom of association refers to the right of an employee / employer to join or create an organization such as a trade union of their choice. This also includes the freedom not to be forced to join a group. Paramount upholds the freedom of association of its employees and the effective recognition of the right to bargain collectively. Clothing Industry code of conduct and Section 4 of the Labor Relations Act 28:01 provides for “Employees’ entitlement to membership of trade unions and workers committees. As such Paramount Exports as an employer does not interfere in any aspect of nomination of workers representation. The workers have the freedom to choose their workers council and unions.

Year	2014	2015	2016	2017
Number of employees	1263	1451	1456	2069
Union Members	160	169	102	220

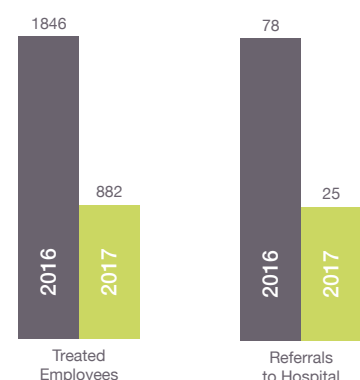
## STAFF AWARENESS

The Human Resources department makes use of engaging tools that encourages employees to report any complaints dissatisfaction that they come across at their work stations. Staff awareness program is an ongoing process at Paramount it begins at induction is reinforced by regular updates throughout the year .Notice boards have all the information concerning the complaint procedure.



## CLINIC/COMPASIONATE CONSIDERATION

Paramount offers an onsite clinic that is designed to streamline employee access to care, encourage healthy behaviours, prevent injuries, manage work-related and personal health care cost, and enhance worker health and productivity. The clinic help reduce absenteeism, disability, employee turnover and health care cost. The clinic staff work closely with employees and whenever there are serious cases they attend to the patient first before transferring the person to a major hospital which is not far from our premises.



# ENVIRONMENT

## COMPANY FUNERAL ASSISTANCE POLICY

When an employee dies all colleagues/staff contribute (\$1,00) and whatever total has been collected is being doubled by the company. Three employees are chosen to represent the company at the burial.

If the deceased has an un-employed wife or children the company makes every effort to employ them.

## TRAINING AND DEVELOPMENT

Paramount provides in-house learner ship programmes that are meant to develop and better the employee skills in order to progress and produce better results within the organisation.

Practical's/attachments: In pattern-making and Clothing-design there are every year several young students coming to Paramount for attachment and training

Management-training: internal Management-training is being done from time to time (Graham Kennard)

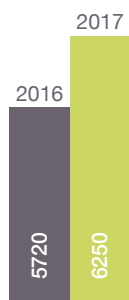
## 2. ENVIRONMENT

### WATER AND ENERGY

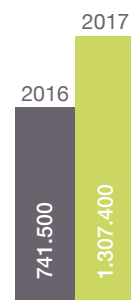
We are reducing the relative amount of water and energy being used considering the growing number of employee and production-capacity of the Group. We admit this is a constant process especially due to challenges in the availability of supply and services by the various Partners/suppliers.

Just an example: Since the municipal water-supply is very erratic it is necessary to actually buy water from private Water-suppliers. We are therefore forced to find a good balance of saving water but at the same time ensuring adequate availability of water.

In this connection it also needs to be said that it is company policy to only buy AZO-free dye- stuffs, chemicals and materials. An in-house Laborator does fundamental quality-checks and certain analyses are being carried out but it does not cater for chemical analyses.



Water Graph  
M3



Energy Graph  
100.000 KWH

Paramount has successfully moved from coal powered boiler systems to small efficient 4 KW mini electrical boilers. This has increased the electricity consumption significantly as shown on the graph.

At the same time we have converted all lights in the Sales-Store to LED lighting and are in the process of converting also the lights in the factory and administration area to LED.



## WASTE-MANAGEMENT

### Solid Waste

It is company policy to sell, donate or re-use as much waste as possible.  
For example:

- a. Small off-cuts of materials are being sold to various customers.
- b. Very small textile waste is being donated to charity (ie. Leukemia Foundation)
- c. Plastic and other waste is collected and made available to waste-management agents on a regular basis.
- d. If it is not collected by these Agents we take it to the municipal Dump-yard in Pomona, Harare



### Waste Water

Waste water is being drained and filtered and goes back into the municipal system for recycling. The filtered waste is being collected by a private waste-collector.

Where they take it is difficult to control but we will endeavor to find methods. Recycling of the final rinse water in our laundry has i.e. reduced the water consumption by 30%.

# ENVIRONMENT

## REDUCTION OF CARBON FOOT PRINT AND CREATING A GREEN AREA

We are currently researching ways how to use the old boiler-house. Our idea is to use the inside for storage of cartons but make it into green and partly open and partly covered area with many plants. Possibly the walls can be painted by local artist in order to show what can be made out of a formerly harmful place.

## SOLAR ENERGY

Paramount is researching possible solar technologies for bulk water heating, especially to service our laundry effectively. Paramount has researched also solar electricity technologies with the aim of reducing reliance on the national Power Grid as well as moving towards renewable energy. For this 7 Megawatt-project (Factory roof) we are however hoping/looking for financial as well as technical support. We want to find out more about the “carbon-credit system”.

## MATERIAL USAGE/OFFICE SUPPLIES/PAPER-CONSUMPTION

- It is a company-policy to use as little of all kinds of material as possible.  
For example:
  - Files and documents that used to be printed out and kept as hard copy are Now kept in digital form. Only very important documents are being printed.
  - Sharing is encouraged – procurement i.e. have set up folders on the network relating to all their purchases and specs/costing's for internal access
  - Further efforts are being made for more internal monitoring systems to become digital
  - With regards to packing of supplies within the Group it was decided to change from card-board-boxes to baling in polypropylene for re-use.
- Analysis of new products before introducing them is done to avoid having products that are not efficient and environmentally friendly.

Year	2016	2017
Boxes Cardboard units	105.000	111.000
Bond-Paper Packs	490	246



## TRANSPORTATION AND SOURCING

- Trips are restricted to serious business only.
- Car-sharing is encouraged
- Delivery and receipt of goods are carefully planned and it is made sure that it is economic and no trips wasted
- Economic deliveries i.e. Motor-bikes with trailer for small deliveries



## SUSTAINABLE SUPPLY CHAIN MANAGEMENT

It is in the company interest and policy to source materials preferable from local or regional sources. In order to be able to do this it is sometimes necessary to pay higher prices. However, often the quality of the locally produced goods does not meet our and our customer's requirements. Other-times we have to put much effort into monitoring the quality of the local products.

## LOCALLY PURCHASED PRODUCTS

Year	2016	2017
Elastics & Tap	100%	100%
Fabrics	1%	3%
Cardboard boxes	100%	100%
Plastic bags	50%	60%



# STAKEHOLDERS

## LOCALLY PURCHASED PRODUCTS

Year	2016	2017
Plastic-Bags High Quality	50%	40%
Zips	20%	30%
Fabric	3%	5%

## ENVIRONMENT AFRICA PROJECT

Paramount Exports is now a “gold member” of the “Environment Africa” project. An initial fact-finding visit to the factory by the Regional Director of Environment Africa Mr. Innocent Hodzonge was interesting and positive. The relevant report of this initial visit is enclosed.

## 3. STAKEHOLDERS

### COMMUNICATION

Our code of Conduct as well as our Social Report will be made available to all our stakeholder either digital or where not possible as hard copy in order to raise and re-affirm our commitment.

In case we notice any wrong-doings in the way stakeholders are acting we address them and ask for corrective of action.

### GOVERNMENT

Paramount conforms and is committed to comply with Government regulations and legislations by being licensed with

- NSSA (National Social Security Agency)
- EMA (Environmental Management Agency)

Annual audits and inspections are taking place and are being documented.

In addition Management is regularly interacting with the Ministry of Trade and Commerce to inform them of grievances and give suggestions.

### FURTHER MEMBERSHIPS/INITIATIVES

Confederation of Zimbabwe Industry (CZI) member

Zim-Trade support/link

ZITMA (Zimbabwe Textile Manufacturers Association/Bain Adcock Vice-Chairman)

ZCMA (Zimbabwe Clothing Manufacturers Association/Jeremy Youmans Chairman)

Cotton to Clothing Initiative (ACVAZ – Association of Cotton Value Adders of Zimbabwe)

See attachment: Cotton to Clothing initiative

## 4. COMMUNITY

### FOOTBALL-TEAM

Paramount has a vibrant functional football team that it sponsors. The team is doing so well and has won the champion's league in the area zone. The football team comprises the Paramount workers. Through this the company is providing the employees with entertainment and leisure. They always have something to look forward to.

### SCHOOL VISITS

Paramount is regularly visited by school-classes to give children an idea of an industrial work environment and how the Clothing they wear is being produced.



### DISABILITY AND DEAF INCLUSION SUPPORT PLAN

Our company believe in inclusive recruitment where by every person is valued according to what he /she brings to the company in that regards Paramount has partnered with Emerald deaf school where it recruits some of the school; leavers from the deaf school. Some people with other disabilities are employed by the company and are given support through designating to work stations that do not affect their disabilities.

3 deaf and 2 handicapped employees are currently employed.

The paramount mechanic has been tasked with assisting the training school at Emerald Hills School for the deaf with repairing and maintaining their machines. Regular visits to the school should enable to teacher there to understand better the requirements and qualifications needed to work in industrial environment.

## VI. CONCLUSION

Whilst improvements have been made there is still room for improvement in both social and environmental issues. Systems have been put in place to collect more data. The challenge is to relate the data to the growing production and activities happening within the organization.



## ENVIRONMENT AFRICA

*Championing the African Environment*

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PVO 6/93

### Report on the Paramount Factory Visit

#### Background

There is increasing public awareness and sense of social responsibility related to environmental issues especially in the lucrative markets in the developed world and a growing number of similar minded markets within the developing countries which has given rise to the need for manufactures to respond to these expectations. It is the responsibility of industry and to an increasing extent consumer to ensure that production is environmentally friendly. Carrying out impact assessments and finding solutions is a complex and costly undertaking. However, if a manufacture intends to capture and retain this growing environmentally aware market it is a worthwhile investment to have these assessments.

#### Objectives of the Visit

The visit was not meant to assess the environmental impacts of the Factory's production line. This was purely to a walk through to observe, point out some areas needing attention and make recommendations on what the factory could do to reduce its impact on the environment.

#### Observations

Our face value observations were that the factory has done a lot to respond to the demand for a more environmentally produced product. There seems to be efficient use of energy in most spaces within the factory. The move to LED in the showroom reflects a deliberate effort towards energy conservation.

1. The ablution facilities for the workers and especially the smoking/resting area might require some attention.
2. The vehicle service area needs to be investigated in terms of possible oil spillages into the city's water drainage systems.
3. There is need to establish where the collectors of waste water from the factory dispose the waste as this is also the responsibility of the factory to ensure waste is disposed of correctly.
4. No waste separation in place however bins were available, and the waste cloth is sold to SME and the residue is taken to the dump site
5. The factory relies on ZESA and back-up generator for Electricity. Consumption usage data was not available.

#### Recommendations

This visit was in no way a technical assessment visit. We would like to recommend that this factory stays ahead of the pack as it has already started. If a full environmental assessment has not been done, we recommend that this be done to establish current and envisaged impacts of the production line and make recommendation on mitigation measures. The objectives of such an assessment could be:

- a. identify potential hazards to workers and the environment
- b. evaluate the effects of these potential hazards on workers
- c. evaluate the effectiveness of industrial hygiene control programs to control these potential hazards
- d. recommend potential control measures

Visiting: *Paradzayi Innocent Hodzonge – Environment Africa Executive Director*  
*Shaibhi Million – Finance and Administration Manager*

*Handwritten signature and date: 21/03/18*



# WORKWEAR



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