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Communication on Progress

For the Year: February 2019

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EXECUTIVE STATEMENT OF COMMITMENT TO UNITED NATIONS GLOBAL COMPACT

The year 2019 had more negative effects which were being characterised by political influence due to undisputed electoral results culminating into numerous demonstrations as a result business was most of the times put to a halt due to rooting and damaging of premises. We are directly affected as some of our outlets fall victim of the rooting that has been taking place now and again. The period in question was not so favourable to business but we are optimistic that the situation will change.

We have also experienced escalating prices on the staple foods giving rise to the inflation from a single digit to two digits. However, it is envisaged that the country will have a bumper harvest due to adequate rainfall and this shall drastically bring down the price on staple foods which are at the moment sky rocking.

On a positive note, our Organization was awarded the Malawi Service Excellence accolade under the manufacturing sector category for the third year running from Chartered Institute of Customer Management Awards

We still pledge our commitment to UNGC and it’s a privilege to submit our annual report for the year 2019. Our continued support to UNGC has greatly given global recognition to our Organization. As a third world country, such international recognition is of paramount importance if we are to achieve in this competitive world. The organization has been faithful in its reporting and on meeting its deadlines.

We are also privileged to information which keeps us abreast on the activities within the Global Compact. Our Organization appreciates the association with the Compact and we still pose as a role model to the organizations that are members of UNGC and those that wish to join the Compact in the future.

The organization in its endeavour to ensure that it participants in corporate social responsibility, we have so far managed to be remitting funds as and when required by the Compact. Since our inception with the UNGC, a lot has changed in terms of our operations which are of international standard through interaction with other member Organizations and also adherence to the principles of the Compact. As an organization, we continue to strive in order to overcome the economic hardships of the country due to diversity of our activities which keep on increasing.

The continuous flow of information from Global Compact and interaction through questionnaires is of significance importance to our Organization as we are kept updated on what is happening in the Global village. It is for this cause that we continue our commitment and adherence to the principles of the Compact as enshrined in the ten principles. The Company has experienced continued sustainable growth through “RAB GROUP OF COMPANIES”. Despite business challenges, the Company continues to create more employment opportunities and has helped to reduce unemployment in the country. Due to unfavourable business environment in the country, more organizations are downsizing their operations for sustainability.

We are also mindful on equal employment opportunities to ensure that the marginalised are also given a chance to employment but on merit. It is in the interest of the Organization to continue employing more women especially in our Depot Network throughout the Country where more women are required to operate in senior positions in line with the 50-50 Policy in support of the Government’s agenda. The Organization has always maintained a non-discriminatory Policy regards to employment and its operations.

The Organization has maintained its stand to actively participate in corporate social responsibility through our sister Organization, Gift of the Givers Foundation Malawi, which is an NGO (Non-Governmental Organization) run by Rab’s Chairman. Malawi being a third world country with a wider spectrum of people earning less than two Dollars per day and live under poverty line, it is still necessary for the Organization to continue to respond to the needs of the community through this Non-Governmental Organization by carrying out food distribution and other assistance when need arise. In the year 2019 the Organization continued to provide Bole Holes, Food Distribution, providing shelter to the elderly and disaster areas, Shoe distribution to vulnerable families, providing nutritional food to malnourished people and any other assistance as need arise.

The Organization continues to maintain its quarterly newsletter called “Luso Lathu” as a mouthpiece for our employees to express their independent views and opinions without any restrictions and also bringing awareness to the public on some of the activities of the company and its wide range of products. The newsletter continues to be an effective tool for communication to both management and the public.

In view of the above, we continue to reaffirm our commitment and stand as a member of the UN Global Compact.

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| Sai Kiran Josyabhatla |
| 7th February 2020 |

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EXECUTIVE SUMMARY

As alluded to in our Executive statement on the current status of the country regards to challenges being faced by the business community, the Organization has for a number of years maintained itsposition as one of the major forces in the agro-processing industry in Malawi having been in existence for 36 years in the year 2019. We are continuously exploring more lucrative business ventures beside the existing outlets which Rab Processors Limited operates nationwide , a network of over 90 rural outlets called Kulimagold Depots which are engaged in buying agricultural produce from farmers and in turn providing them with farm inputs as well as basic needs. We are a major force in agricultural produce sourced from farmers and this is processed at the company’s factory in Blantyre into fortified and nutritious food products for distribution in Malawi and other countries. The company has its branches in all the three Regions of the country apart from the depot network. Rab Group of Companies comprises the following Companies: A1 Enterprises Limited, Top Foods Limited and Kulimagold Limited.

We strive to become the market leader specialising in two key areas i.e., provision of basic needs and trading in basic commodities. In order for us to successfully achieve this goal, Rab will continue to take full advantage of the following strategic attributes it possesses:

1. Thirty – six years experience in the field of agriculture and agro industries
2. Presence in more than ninety trading centres spread throughout the country
3. Ability to access regional markets (markets in neighbouring countries)
4. Skilled, competent and experienced workforce
5. Open to dialogue with global counterparts to achieve development goals.

OUR BUSINESS CHARTER

To maximise and add value to Malawi’s agriculture outputs as well as to provide farm inputs and basic product needs to Malawi’s smallholder farmers and other customer groups respectively as well as globally whilst maintaining the highest product quality specifications tailored to meet local, regional and international legal, moral and ethical standards at all times.

OUR VISION

To be the principal provider of basic food and nutritional products in Malawi and the Region.

OUR CORE VALUES

We remain committed to serving Malawi’s national customer base comprising smallholder farmers and local communities in keeping with our ethos “Partnerships for Life” in which our core values of openness, transparency, fairness, trust and respect prevail at all times.

Rab Group of Companies is accredited to the following organizations:

1. Grow Africa (Agricultural investment forum)
2. Cooperation for fair trade in Africa
3. National Fortification Alliance
4. United National Global Compact
5. Malawi Bureau of Standards

Rab Group of Companies is also affiliated to the following Organizations:

1. New Alliance for Food Security and Nutrition
2. Grain Traders and Processors Association
3. Malawi Business Coalition Against HIV / AIDS ( MBCA)
4. Malawi Confederation of Chambers of Commerce and Industry (MCCCI)
5. Agricultural Commodity Exchange for Africa (ACE)
6. Employers Consultative Association of Malawi (ECAM)
7. Business Action Against Corruption (BAAC)

The organization is and has maintained its partnership with the following bodies:

1. United Nations World Food Programme (WFP)
2. Gift of the Givers Foundation
3. Insta – Pro International
4. DSM
5. General Mills
6. Mary’s Meals

The above organizations have been partners for some time and enjoy good work relationship through business interaction.

The organization has maintained and committed to the Ten Principles and over the years there has been a steady progress in our reporting system to the UNGC and also ensuring compliance to the Principles.

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|  | Global Compact Principle | Action Taken & Impact Achieved and/or Plans for the upcoming Year |
|  | Principle 1  Principle 2 | Business should support and respect internationally proclaimed human rights.  And make sure they are not complicity in human rights abuse.  We still make a commitment towards the protection of human rights and also to ensure that there are no abuses taking place. We shall endeavour to continue to uphold all internationally proclaimed rights in order to respect the protection of human rights. We believe that all human beings are equal regardless of cultural background or living standards. These are clearly stipulated in our relevant policies governing employment and which addresses the protection of the rights of employees by ensuring that there is no discrimination in regards to race, colour, gender, creed or place of origin. To ensure the respect and dignity of our employees, the organization shall continue to commit itself in the following areas and which are also key to the wellbeing of all our employees:  OCCUPATIONAL SAFETY AND HEALTH  The Organization has taken safety of its staff as a priority and ensures that all staff work in a safe environment at all times. The committee that was established under this Department continue to be effective in its areas of operation by carrying out frequent factory inspections and give recommendations to Management on any observations for action. This has resulted in the reduction of risks, thereby creating a safe work environment to all employees and visitors. The committee has been undergoing several trainings on Occupational Safety and Health for its effectiveness. The last training was conducted on 22nd June 2019 as reported in our previous COP which was a continuation on the previous training. The next workshop is scheduled to take place in March 2020 on the following topics as a continuation:   1. Health and Safety Policy based on Occupational safety and Health and Welfare and Compensation Act 2. Hierarchy of controls in the work place 3. Reporting hazards, accidents and injuries 4. Compensation and Rehabilitation 5. Safe work practices (general and food safety) 6. Wellness initiatives and health promoting lifestyles at work   These trainings are being conducted by Work Safe Africa who are certified trainers in this field in collaboration with the Ministry of Labour. Besides being trainers, they have been conducting medical check up to our food handlers and give advice on all related health issues.  We do have an effect Occupational, Health & Safety Policy which is reviewed now and again to ensure that it addresses all the issues and also in line with the Act as follows:   1. Maintain an effective program in liaison with the Management to ensure that all workplace hazards are systematically identified and appropriate measures taken to control the hazards. 2. Review and monitor the hazard management program to take account of changing conditions and circumstances within the workplace and ensure appropriate records are kept. 3. Ensuring that all employees have opportunity to participate in the development of health and safety practices and that all relevant documentation relating to health and safety issues are made available 4. Ensure that all employees and contractors are trained, supervised and provided with information to undertake their duties safely. 5. Ensuring that all personal protective equipment needed to ensure health and safety is provided to employees and that they are adequately trained in its proper use, maintenance and storage. 6. Encourage all staff to set a high standard of health and safety management by personal example.   The Company conducts induction training to newly recruited Factory and Workshop employees before being engaged to their assigned duties. There are also danger signs or warnings inside the factories for prevention or to give guidance to new employees.  All employees in the Factories and Workshops are given the necessary protective wear which are to be put on when on duty at all times.  In order to underscore the importance of Occupational Health and Safety to our employees and the general public, various training programs shall continue to be carried out to the committee members with a view of sensitizing their fellow employees so as to minimise occupational diseases and accidents.  PROVISION OF MEDICAL FACILITY.  The provision of free medical care has been sustained over the years to ensure that our employees are always in good health and productive. The welfare of employees is key to us in order to achieve the goals of the Organization. When an Organization experience high rate of absenteeism due to sickness, productivity goes down and it is for this reason that medical provision to all staff shall be an ongoing processes in order to assist our workers have access to good medical services. We are still facing challenges as a third world country where access to better medical services is a major problem to many and as such lives which could have been saved have been lost. The Company, through this scheme, has served the lives of many of our workers. To this effect, the company has continued to provide sustainable medical scheme by paying monthly premiums to ensure that its employees have access to better health services both from Government and Private Hospitals. The scheme may be extended to immediate family members once the cost has been established and also if the Company is able to sustain. On average, the organization pays Eight Million Five Hundred Thousand Kwacha per month towards this scheme and in addition, the Company also pays Five Million One Hundred and Three Thousand Kwacha per annum towards medical check up to Food Handlers. We sent 651 employees in August, September and November 2019. This is an on-going process of sending employees for medical check-up to ensure compliance to the Malawi Bureau of Standards that all food handlers are to undergo medical check-up and non-compliance leads to closure of the Organization.  The above scheme has assisted the Company in the following areas:   1. Good health to all staff and prolonged life span 2. Able to access better medication 3. Free access to medical services 4. Improved employee attendance 5. Improved productivity 6. Organizational goals are achieved 7. Certification by Malawi Bureau of Standards 8. Motivation to staff resulting in low staff turnover 9. Attract job seekers wanting to work for the organization due to better health facilities   HIV / AIDS POLICY    There is still no solution to the devastating effects of HIV & AIDS worldwide and which stands as a major challenge to the third world countries as more lives have been lost. We have been member of Malawi Business Collusion against HIV & AIDS (MBCA) for some time and which has continued to be a relief to our Organization. The major benefit is the access to Anti-Retroviral drugs (ARV) from any hospital at a subsidized cost as a privilege to members. Training programs conducted by MBCA are still going on which aims at improving the private sector capacity in the implementation of HIV and AIDS workplace programs. Several trainings have been conducted to the Peer Educators who in turn hold meetings with our employees on a regular basis on issues to do with sustenance, awareness on positive living, voluntary disclosure of one’s status and counselling. The committee works in collaboration with the Human Resources Department. It is so encouraging to note that most of our employees who are HIV positive are still enjoying good health through the monthly supply of SIBUSISO, a high energy food supplement and on the other hand, due to the advice given by the committee on positive living. We continue to receive new members of staff who freely disclose their status so as to access the monthly supply of SIBUSISO. The product is still on high demand by other Organizations and the Government and supplied at a subsided cost in order to benefit more people besides our employees. It is also being exported to neighbouring countries because of its richness in nutritional value giving hope to the hopeless for longer life. The supply is also extended to immediate families and the distribution of the food supplement is carried out by the committee on a monthly basis to ensure that all those who are living with HIV & AIDS are taken care of and that there is no stigmatization. Our HIV /AIDS Policy stipulates that :   1. There shall be no discrimination based on HIV & AIDS 2. The Company will not carry out pre-employment screening for HIV / AIDS as a prerequisite for employment. 3. There shall be no segregation in accessing employee benefits as offered by Rab Group of Companies. 4. No employee will be terminated of his / her services based on HIV status 5. Employees deemed to be unfit in the positions they are working because of their HIV status will be offered alternative work 6. To breed a culture of openness through training to build capacity to all staff to deal with fear, stigma and rejection. 7. If anyone is found to be discriminating a fellow staff who is HIV positive, disciplinary action shall be instituted and if found guilty, necessary penalties shall apply and in accordance with our terms and conditions of employment. 8. Where an employee chooses to disclose his / her HIV status, such information shall not be disclosed without the employees expressed written consent. 9. Redundancies, retrenchments and dismissals will not be based on HIV status as disclosed by the employee to the employer alone.   These are our standard procedures and shall be maintained but subject to change if need be for the benefit of our employees.  STAFF WELFARE    The organization has maintained all the benefits being accorded to its employees. One such important aspect that the organization has done is to take a keen interest towards promoting education by giving cash grants to staff whose children have passed the Malawi School Certificate of Education, in order to help and reduce the illiteracy level in Malawi. This is one of the major problems that the country is experiencing at the moment. This grant has boost the morale of most of our staff and their children such that more children are now going to school and this can be deduced by the increase in the number of parents accessing the grants each year. The increase in number of parents accessing the cash grant is a clear testimony of its success. The scheme is aimed at encouraging staff to send their children to school and also to encourage them to work hard towards the attainment of their future goals. The initiative has assisted to reduce the illiteracy rate, discourages child labour and at the same time fulfils to achieve the right for children to go to school. The amount given in form of cash grant still stands at Thirty Thousand per child to children who have passed Malawi School Certificate of Education.  There are also other benefits in place aimed at motivating and improving the welfare of our members of staff such as recognition to staff for their long service. Below are some of the rewards to long serving employees accorded during the year:   1. The Company continue to recognise its employees during the End of year Functions and during the year 2019, the staff that served the company for ten, fifteen, twenty, twenty-five and thirty years were rewarded accordingly and as follows:  * Ten years in service a reward of MK75,000.00 * Fifteen years in service a reward of MK100,000.00 * Twenty years in service MK125,000.00 plus 50kgs Maize Flour for one year * Twenty-five years a reward of an annual salary at the current salary plus 50kgs Maize Flour for one year. * Thirty years a reward of MK150,000.00 plus 50Kgs Maize Flour for one year. * A total of 71 employees were rewarded during the year 2019 and an amounting of MK10,166,721.48 was given out as rewards.  1. The Twenty-five years special reward was introduced with an aim of motivating staff to stay longer in employment, improve their welfare, reduce employee turnover and improve employee productivity. So far 20 members of staff have already received this reward and which has enabled them to invest in profitable economic activities. 2. Staff are privileged to a monthly staff purchase of our products at a 20% discount.   We shall endeavour to continue to improve the welfare of staff being one of our priority areas for staff retention and motivation. It is for this reason that management continuously explore more benefits for its staff and at the same time making improvements to the existing benefits.  In view of the above, the following are the outcome: |
| T | OUTCOME. | 1. Provision of safe work environment to staff and improved medical facilities to all staff 2. Staff retention and job security due to favourable working conditions 3. Improved staff economic activities 4. Reduced rate of staff turnover 5. Better Education to members of the families due to education grant and the realisation of their future goals 6. Reduction of illiteracy level 7. Reduces child labour as most children will be going to school 8. Provision of nutritional foods to staff living with HIV & AIDS 9. Ensuring equality and fairness at work place 10. Assurance of protection on human abuse 11. High productivity level due to numerous motivational factors accorded to staff. 12. Expansion and employment opportunities 13. Assurance of proper accommodation 14. Better living standards 15. Gives attraction to job seekers 16. Achievement of Organizational goals |
|  | Principle 3  Principle 4  Principle 5  Principle 6 | Business should uphold the Freedom of Association and the effective recognition of the right to Collective Bargaining.  The Elimination of all forms of forced and Compulsory Labour and the Effective abolition of Child Labour.  The Elimination of Discrimination in respect of Employment and Occupation  We still maintain our commitment and continue to uphold labour standards and to respect the rights of our employees by ensuring that the company observes freedom of association, collective bargaining, elimination of all forms of forced and compulsory labour and discrimination. We do take a firm stand on these issues which are of utmost important to employees in exercising of their rights. As an organization, we are obliged to abide by these principles and which qualifies us to be members of the Employers Organization namely Employers Association of Malawi (ECAM), an affiliate to ILO.  The Company continues to support the abolishment of child labour as substantiated by the introduction of education grant as alluded to above. Apart from the education grant to staff whose children have passed the Malawi School Certificate of Education, we also introduced a competition in which pupils from different schools compete in what we call “Spelling Bee Competition” and the winners walk away with prices ranging from One Million Kwacha for the first position, Three Hundred Thousand Kwacha and One Hundred Thousand Kwacha for the second and third positions. Such an initiative and which has the full support of the Government, has attracted more children to go to school and encourage those in school to work extra hard. This initiative helps children to be in school and avoid the house chores and any other abuses that children face in their day to day life. On the other hand, the competition is promoting reading culture in our children, helping them to spend more time with books and abstain from immoral behaviours that children do succumb to. This initiative started in 2012, attracting more Primary schools to enter the competition. We have seen a tremendous improvement and interest from several schools that enter the competition.  The school feeding program which has been in operation for years with Marys Meals continue to make progress as more schools are being added each year giving rise to more children going to school. The number of children dropping out of school has reduced because of the provision of morning porridge they receive to help them concentrate on the lessons when in class. The program, on the other hand, has managed to rescue children from looking for jobs in order to have money to buy food. The program is still receiving necessary support and attention from the Government for continuity in order to enable children remain in school due to the availability of food. The porridge being served has nutritional values in it and apart from serving as breakfast it also meets nutritional requirements. The porridge is supplied to Marys Meals at a discounted price and distributed to all schools throughout the Country. This is part of the corporate social responsibility.  We still maintain our stand to eradicate child labour by enforcing restrictive conditions that prohibits the employment of children under the age of eighteen. Strict verification on proof of age is carried out by producing evidence that supports the age of any job seeker where there are doubts on the age. Our terms and conditions of services are easily accessible to all and at the same time user friendly. The process on recruitment is based on merit to ensure that it accommodates all and without any discrimination. Issues of diversity have been included in our terms and conditions of services to cater for people of different culture and backgrounds. Our terms and conditions of employment prohibit employment of staff based on race, colour, political affiliation, creed, sex, regionalism, disability or any other criterion.  In observance of the rights of the employees, the Company has for some time now give freedom to our staff to join and associate with any Trade Union or workers Organizations of their choice. This is done to ensure that their rights are not infringed. We have at the moment staff who has maintained their membership with the Trade Union called Hotel, Food Processing and Catering Workers Union. The current forum of middle management called “Team Sapitwa**”** which was introduced a few years ago has been so instrumental in representing employees who are not members of any workers organization and which among other things, handles collective bargaining on their behalf. The voice of this committee has brought significant changes to the welfare of the employees. At the end of each year, Team Sapitwa appoints a representative to speak to management on matters of interest, addressing their concerns and most of such issues have received a positive response from management. On the other hand, the Union also plays its part in carrying out trainings to shop stewards in order for them to understand the operations of the Trade Unions and to acquire negotiating skills for proper bargaining process.  The question of woman empowerment as it has always been propagated is still in the Company’s interest and being given more attention. More opportunities for employment to women is given due consideration in response to the Government Policy to empower women and also being considered for more senior positions. The Government is propagating the agenda of 50-50 campaign to ensure that an affirmative action to the disadvantaged groups is being addressed in order to give rise to equal employment opportunities. For years now, we have seen the gap narrowing while at the same time not being overzealous and lose focus on recruitment based on merit. On a positive note, more women are still being promoted to senior positions more especially in our Kulimagold Network where the majority of Supervisors are women.  We give equal opportunities regards to Company’s trainings. The Company believes in skills development and do have an effective training program for its staff. During the year we managed to train 197 employees. The following topics were covered during the trainings:   1. Occupational Health & Safety & Welfare 2. Conflict Management 3. Customer Service Care 4. Supervisory Management Skills 5. Fire fighting   The trainings were being conducted by Out-sourced Consultants, Technical Entrepreneurial Vocational & Training Authority and our own Trainers. These continuous trainings are aimed at reducing the skills gap, assist employees without any formal training to adhere to the current standards and grooming staff for promotions. The skills that have been acquired are beneficial to both the Company and the individuals besides being a motivational tool to employees.  As a result of the above, below are the outcomes: |
|  | OUTCOME | 1. Employees are assured of their rights 2. Equal employment opportunities 3. Employees participates in decision making 4. To discourage employment of underage. 5. The school feeding program assist parents to send their children to school 6. The porridge which is nutritional in value will improve the health status of the children 7. The school feeding program help parents who cannot afford breakfast for their children. 8. Discouragement of child abuse 9. Training enables staff to sharpen their skills and perform better in their roles. 10. Training increases productivity and also brings in new ideas. 11. Training benefit staff without formal training 12. Promotion to staff after mentoring 13. Empowerment to women 14. Confidence and motivation to staff 15. Staff retention and development 16. Sense of belonging |
|  | Principle 7  Principle 8  Principle 9 | Business should support a precautionary approach to Environmental Challenges:  Under take initiatives to promote greater Environmental Responsibility  Encourage the Development and diffusion of Environmentally Friendly Technologies.  Despite Governments effort to discourage environmental degradation , Environmental preservation still pose as a major challenge in Malawi leaving most of the land bare due to cutting down of trees by charcoal burners. Millions of trees are being planted each year and the same number of trees are being cut down by charcoal burners who earn their living by selling charcoal. The Company is still committed and will continue to support the preservation of the environment by taking precautionary measures that ensure sustainability. The Government of Malawi has put heavy penalties on the perpetrators and has increased the number of Forest Rangers in order to protect the forests. Alternatives to charcoal burners for diversification leaves much to be desired as most charcoal burners find this business the most lucrative and has ready market.  As an Organization we have continuously propagate the necessary information to our staff on the preservation of the environment and that they should avoid buying charcoal but use electricity which is affordable and more convenient. Employees are advised to keep on planting trees in their maize gardens and within their premises in their respective areas.  The Company also ensures that proper methods of discharging industrial wastes and emissions are adhered to at all times as we are in the food manufacturing industry where hygiene cannot be compromised. Inspections by necessary authorities are conducted on regular basis to ascertain that industrial waste does not pollute the streams which eventually communities draw water from.  Tree planting programs are being carried out annually by our sister company, Gift of the Givers Foundation, a Non-Governmental Organization. We have specific areas that we plant trees each year. It is an on-going program until the required number of trees is achieved. We wish to report that the trees were planted in the month of January 2019 and 750 trees were planted. Our areas of operations are in the following Primary Schools:   * Kapeni Primary School * Misesa Primary School * Makheta Primary School * Nyambadwe Hill * Bangwe Primary School * Machinjiri Primary School   We have been planting trees in these areas for the past three years in order to preserve the land from soil erosion due to cutting of trees by charcoal burners who also earn their livelihood through selling of charcoal. These places were affected and more trees were cut down thereby leaving a bare ground. The trees shall help to shield the strong winds from blowing the roofs of the houses and to avoid soil erosion in the future. The program of planting trees shall continue and we are yet to plant more trees in the years to come.  The Organization also supported the preservation of a protected tree species called “Mulanje Cedar” which is found on Mulanje Mountain by sponsoring the Mulanje Porters race with an aim of sensitizing the community to preserve the tree which is on high demand and being smuggled in other countries. The community is now aware of the importance of this tree and necessary procedures have been put in place by the community for its protection.  The Organization has set procedures on the discharge of emission released from the factory. We are surrounded by the community and all the years that we have been in operational there have been no complaints or concerns from the community regards to emissions from the Factories. We are quite mindful of the health of the people and as such, we ensure that there is significant reduction of emissions of carbon being released from the factory.  The process of segregating paper, plastics and organic from the generated waste is effectively being adhered to as it was incorporated in our operating manual. The paper is still sold to paper recycling plant agents while the organic waste is disposed off through the City Assembly and the system has significantly reduced the environmental impact. This is an ongoing process.  The project on the circulation of water from staff washrooms in order to be used in flushing of toilets is currently under consideration though there has been delays which is due to the fact that the pioneer of this project left and a new team has taken over . The target is to reduce water usage by 20%. The aim of the project is to avoid the usage of fresh water for toilets. We shall report on the progress once finalised. |
|  | OUTCOME | 1. Trees will prevent soil erosion and also save as a wind breaker 2. Environmental preservation 3. Reduced heat emissions in the air 4. Reduction of carbon foot print 5. Control on fresh water wastage 6. Reduced cost on water usage 7. Protection of Cedar Tree |
|  | Principle 10 | Business should work against all forms of corruption, including extortion and bribery  The Country is still being rated highly on corruption cases despite the Government of Malawi making every effort to address the issue. Not much is being done to reduce or eradicate all forms of corruption, extortion and bribery which have led to dishonest, laziness, loss of respect, loss of trust and has devastating effects on the Country as a whole. Much as we appreciate the initiative by the Government to reduce levels of corruption through tip off anonymous a lot is to be done. However, we are pleased to report that the Company still maintains its stand on zero tolerance on all forms of corruption. We continue to disseminate information to our staff and our customers through our News Letter “Luso Lathu” and tip offs, and these methods have assisted to reduce all forms of malpractices. We are among the few Organizations that have taken a solid stand on all forms of corruption and bribery.  We continue to receive confidential information through the toll free number. Our Newsletter gives more details on how such information can be conveyed to the relevant authorities. We are proud to say that most of our members are aware of the facility and the posters put in strategic places. The system has created more communication channels for reporting even on other pertinent issues regarding the Company. We have a reward system in place to those who come up with valid information and which is also treated with the confidence it deserves. All our customers are equally advised not to entice our members of staff for favours or face the ban from dealing with the company.  All new members of staff are advised to desist from any form of corruption. This is done during the time when we conduct induction training to new members of staff and one of the issues addressed is on corrupt practices and the systems in place for reporting such malpractices to ensure that they should also avoid being part and parcel of such malpractices.  We are committed and shall continue to ensure that all our staff, customer’s suppliers and the general public are made aware of our stand in fighting corrupt practices. Our Organization does not allow staff members to receive any suspicious gifts and money and are to report to Management immediately.  We have an open door policy and staff with valid information can freely pass on the information to the Directors or any Senior member of staff without any hindrance.  We are pleased to report that for years now the Organization has not experienced any issues on the above mentioned malpractices and wish to maintain the status quo. |
|  | OUTCOME | 1. Prevention for any form of corruption and bribery 2. Better services to our customers without asking any bribe 3. Rewards will make more staff to report on any malpractice 4. To win the trust of our customers and the general public. 5. Improved public image 6. Staff freely interact with Directors because of the open door policy 7. Compliance to the Government Policy on eradication of corrupt practices |
|  |  | CORPORATE SOCIAL RESPONSIBILITY  The Company realises the importance of supporting the community in which it operates by giving back to the community through its corporate social responsibility activities. One way of achieving this is to assist the needy within the community. We are currently sponsoring students from Malawi College of Medicine, Kamuzu School of Nursing and Domasi Teachers College. We are pleased to report that the sponsorship to students has gone in its fifth phase and some students have now graduated to give way to other needy students. The sponsorship is an on-going but which targets vulnerable students with an outstanding performance. We have now turn this into a sustainable program so that many more students should benefit from it and at the same time assist in reducing the number of students whose parents cannot afford tuition fees for their children. Our sponsorship is still in the fields of Medicine, Nursing and Teaching. The sponsorship was introduced in the month of February 2016 and so far ten students have been maintained and assisted with a total amount of MK9,910,0000.00 (Nine Million, Nine Hundred and Ten Thousand Kwacha) from its inception. These students are coming from the following colleges: Malawi College of Medicine (five students), Kamuzu College of Nursing (three students) and Domasi College of Education (two students). This sponsorship shall be an ongoing and each year there shall be new students coming on the sponsorship when others are exiting so as to maintain the number of students sponsored each year. The students are also privileged to carry out any research or attachment with the company where need arises.  This sponsorship will assist the beneficiaries to become more responsible and serve in their own country rather than looking for greener pastures in other countries. We still have an acute shortage for Doctors, Nurses and Teachers in the country. It is the wish of the Government to have more people trained in these fields which are in short supply in the country. The company is targeting the bright students and from vulnerable families that are unable to meet the tuition fees.  The Government of Malawi introduced a program called Beautify Malawi, (BEAM) which is earmarked at making the country beautiful by observing hygienic conditions and also caring of our streets and planting more trees and flowers. The company has responded to this call by taking portion of the street where we also have an Independence Arc, a monumental symbol for our Independence. The place has been worked on and made in such a manner that it is adding beauty to the city of Blantyre in Malawi. This program is on- going and much has been done to make the place more beautiful.  The Organization is also sponsoring grass root football through the “Thumps Up” Football League with an aim of complimenting Government effort to develop football in the Country at the same time keeping the youngsters engaged in active lifestyle so as not to indulge in immoral behaviours.  The name “Thumps Up” is one of the brands by Rab Processors Limted. |
|  | OUTCOME | 1. Fulfilment of corporate social responsibility by the Company 2. The Government will be able to train more students in the mentioned fields 3. The needy students will fulfil their dreams 4. Giving hope to the community 5. Adding beauty to the city of Blantyre 6. Improvement on hygienic standards 7. Encourage students to better spell the words and improve on communication skills. 8. Promotion of Education 9. Promotion of reading habits 10. Football assist youngsters to refrain from immoral behaviour 11. Football help youngsters to develop skills and earn a living |
|  |  | CONCLUSION  We continue to reaffirm our commitment to UN Global Compact and abide by its Ten Principles. We have maintained consistence on our COP reports for years and will continue to do so. This signifies one thing which is total commitment to the UN Global Compact. We continue to be a role model and share our experiences on the benefits of being a member of UNGC to new organizations that wish to know more or join the UNGC. We have been so instrumental in rendering support to any activity carried out by the Local Global Network representatives in Malawi as one of the few member Organizations in the country.  In view of the above, we shall remain committed and continue to strive for excellence until key result areas of the Ten Principles are achieved.  END |
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