

1. STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER (OWNER OR PRESIDENT IN THE CASE OF SMALL BUSINESSES)

31/1/2022

To our stakeholders:

I am pleased to confirm that DAR ES SALAAM CORRIDOR GROUP LTD (DCG) reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Jesper A. Sorensen

CEO.

2. DESCRIPTION OF ACTIONS

HUMAN RIGHTS

DCG has been supporting and respecting the protection of human rights in various ways such as

Provision of safe, suitable and sanitary work facilities.

DCG has effective health and safety procedures that comply with national and international standards. The responsibilities of health and safety have been clearly defined and communicated to relevant internal parties. The company also provides the machinery and equipment which are safe, and it ensures that the equipment are regularly checked to ensure they are safe and in good working condition. DSM Corridor Group also provides the appropriate personal protective equipment (PPE) to its workers necessary to safely perform their job functions. The company ensure that the provided PPEs are safely used by workers when they perform their duties.

Workers and managers have been trained to respond to workplace emergencies; first aid kits and fire extinguishers are available and accessible in all workplaces; escape exits are marked and free from obstruction. Training records on various

health and safety aspects of the business are maintained. Regularly and when assigned to new tasks as per the needs of the operation, workers receive training in the safe use of PPEs and processes. The workplace is maintained to ensure clean and comfortable conditions including a suitable temperature, ventilation, lighting, suitable washing and sanitation areas appropriate for both genders. In addition to that, the company provides safe drinking water for workers and facilities for clean and hygienic food storage and eating.

Workers are protected from workplace harassment, including physical, verbal, sexual or psychological harassment, abuse or threats. The company has established and implemented a policy for preventing workplace harassment. The company is actively informing workers of their obligations to refrain from violent, threatening or abusive conduct. Also, all workers including the management team have received training on how to identify and deal with instances of harassment in the workplace. The company has put in place the procedure of reporting and investigating workplace harassment cases, the harassment cases are reported through the suggestion boxes which are placed in the working areas, also harassment cases can be reported through the company's website or physically to the human resources department.

Furthermore, DCG ensure the protection of human rights by respecting the privacy of its workers whenever it gets the private information. DCG has formulated the ethical committee which deals with the disciplinary cases and other employees issued related to the ethics.

The company ensures that people are working within the allowed time limit, as per the country labour regulations. Unnecessary extension of work hours beyond normal working hours is strictly not allowed. The company have developed the standard operation procedure to guide the overtime

In addition to that, the company ensures that workers have no less than a 30-minute break for every 4 hours of work and that workers are allowed to use toilet facilities whenever necessary and not just during designated breaks.

On the other hand, the company provides wages that enable the workers to meet their basic needs and themselves and their dependants.

LABOUR

DSM Corridor Group adheres to the fundamental rights and protections as provided in the Employment and Labour Relations Act. Its policies align well with the labour laws and are reviewed from time to time accordingly with any reviews in the labour laws. DCG take all necessary measures to ensure that it does not participate in any form of forced or bonded labour by;

- Providing annual leave to its workers within a reasonable length of time. The leave program is communicated to workers before starting employment.

- Ensuring that it does not withhold wages or bonuses and that it pays them in a timely and regular manner.
- Not making deductions from wages or disciplinary measures or other deductions not authorised by national law.
- Paying overworking hours. All employees who are legible to the overtime are get paid.
- Ensuring the identity cards, passports, travel documents or other personal items are not retained without which workers cannot leave employment. And if letters of release or other documents are needed for the worker to leave employment, such letters are issued without delay.
- Ensuring that it does not require workers to pay recruitment fees or lodge money deposits.
- Ensuring that it does not use labour from agencies or firms involved in human trafficking or other forms of bonded labour.

DSM Corridor Group upholds the prohibition of child labour principle as understands that every child has right to education. Children must be supported to live in safe, healthy environment where they will grow well mentally, physically and morally. It is their right to get education without interference

On prohibition of forced labour, the company's recruitment policy and procedure require any vacant position be advertised and that the interested candidates should apply for the position. This ensures that those considered for the position are willing to take the job

DSM Corridor Group does not discriminate. It is a safe, happy, supportive and caring organisation which values and respects all its employees. Regardless of their age, sex, belief, race, occupation, etc. all employees are seen as individual parts within a cohesive team striving towards a common goal.

ENVIRONMENT

DCG takes various measures on the protection of the environment. The following are the actions taken by DCG to protect the environment

- The company comply with the national and international legal and statutory requirement. The company complies with ISO 14001:2015, Environmental Management System and well as NEMC and the national environmental laws and regulations. The company maintain the certificates for both ISO14001:2015 and Environmental Audit/Environmental Impact Assessment - EIA
- The company has identified the environmental aspects related to the operations activities and the potential consequences to the environment if they occur. The environmental controls have been put in place and they are monitored. We have the system in place for monitoring waste water generated from workshop activities. There is the system in place for treating the water to the acceptable levels before it is discharged to the environment. Another aspect that is controlled is dust. The terminal for temporary storage of bulk cargo is enclosed, that does not allow dusts or

other bulk cargo to be released to the environment. Also, there is existence of drainage system for collecting surface water runoff from operational areas and discharging the run off to public open drainage system.

- Also, we have the waste management plan whereby wastes are segregated according to the type of waste in the designated waste bins. Based on the activities that are undertaken within DCG premises and facilities, waste has been categorized into the following:
 - Non-hazardous waste: includes paper, wood, office, rubbish, cardboard, scrap metal, glass and fertilizer sweepings from fertilizer terminal.
 - Hazardous waste: Human waste, Waste Oil, Lubricants Cans, Chemical Cans, Paints Cans, used fuel filters, oily rags and oil absorbent materials, used oil drums or containers, Used grease drums or containers, etc
- bulk trucks are totally covered, in the way that they cannot allow any release of cargo during transportation from one point to another. The trucks are serviced as per the manufacture's conditions.
- The company has detailed procedures, plans and equipment to effectively respond to accidents and emergencies if they occur. The emergency respond procedure has been communicated to all the employees through the trainings which are provided in daily basis. The emergency team and their contact number have been displayed in all the notes boards around DCG compound. The external emergency contacts list is also displayed in the noted boards.

ANTI-CORRUPTION

DCG stands against the corruption, by declaring that it will not engage in corruption at any time or in any form. The company has a policy rejecting corruption and requiring all managers and workers to behave ethically and in conformity with the law. DCG has stated clearly in the Human Resource manual, that it has a zero tolerance to fraud and corruption. It also restricts employees to be involved in corruption by giving or receiving bribes, in form of money or other benefits, which are intended to give them advantages, in relation to others. The policy also encourages workers to be transparent in all work-related transactions. DCG creates a work environment where employees are safely and confidently report all suspected fraud and corruption. The company takes measure to ensure all employees are aware with the ant corruption policy by training them

The company has assigned individuals to be responsible for handling contracts, placing orders, receiving goods, processing invoices and making payments. The company mentions "anti-corruption" in its contracts with business partners such as suppliers.

3. MEASUREMENT OF OUTCOMES

- The total female employees up to Dec 2021 is 33 and male employees 114. DCG is still struggling with the gender balance, but there are various initiatives taken to resolve the situation, one of the initiatives taken was to

train women to become the equipment operators. The management team includes 8 males and 2 females. At DCG the middle management team includes 15 males and 4 females

- DCG has a documented procedure for accident reporting and investigation. The procedure has been communicated to all employees. As the result of having proper accident incident procedure the number of accidents has been decreased, for instance in 2021, only 10 first aid injuries were reported, there were no occupation disease or the fatality reported.
- Due to the efforts taken to protect the environment, the amount of waste generated has been decreased, for instance the amount of hazardous waste generated in 2021 was 3.5 tons compared to the waste generated in 2020 which was 6.2 tones. The percentage of recycle materials has been increased.
- 6 female employees were trained as operators for equipment e.g., forklifts and cranes. Prior to taking the operators roles, the employees were cleaners. The program is ongoing