



MASAWARA

MASAWARA PLC 2019 CORPORATE STATEMENT ON MODERN SLAVERY



This statement is made pursuant to s.54 of the Modern Slavery Act 2015 and sets out the steps that Masawara PLC has taken and is continuing to take to ensure that modern slavery or human trafficking is not taking place within our business or supply chain.

Our Business and Structure

Masawara PLC is an investment holding company with interests in the hospitality, agrochemical manufacturing, insurance, asset management, financial services, and property industries.

The Masawara Group has approximately 1000 employees and conducts its operations primarily in Zimbabwe and Botswana through subsidiary and associate companies. At Masawara PLC, we acknowledge that modern slavery in its various forms is a global issue in direct contravention of international legislation and policies.

As a Group with representation across the sub-Saharan region, we are committed to preventing the occurrence of modern slavery by ensuring that we have in place sustainable and transparent policies and codes of conduct. Therefore, across the value chain we aim to ensure that our business partners honour ethical business practices that do not clash with our own anti-modern slavery values.

Supply Chains

We consider unfair labour practices, environmental health and safety and bribery and corruption to be one of the biggest threats to our sustainability agenda. As our supply chain is a potential human rights risk, we devote a significant effort into understanding of the specific types of human rights risks associated with different types of products and sources.

> Hospitality

Hospitality has complex supply chains that cover the procurement of goods (such as bulk commodities and equipment) and services, operational and technical services and support activities. To ensure the delivery of competitive services and qualified labour, we mostly rely on regional and local suppliers. Our commitment to local procurement means that endeavour to use local suppliers wherever possible. However, our hotels also have suppliers from South Africa and Botswana. Currently, our hotel chains do not have a specific policy that addresses modern slavery, however, we are in the process of crafting a Group-wide policy. High risk goods that have been produced or supplied by external source require a verification clearance certificate prior to being accepted by the hotel. A staff and recruitment training has not yet been conducted although the hospitality groups envisions this in the near future.

> Property

The property group consists of prestigious buildings in Harare. We work hard to ensure that our support staff in security, cleaning and parking services are sourced from companies that share a vision of eradicating modern slavery. Furthermore, our tenants are vetted to make sure that their staff and the products they sell meet our standards.

The companies that supply us with security and cleaning staff must first undergo due diligence checks as well as continuous assessments to make sure they do not underpay or subject their employees to unpaid labour or prejudicial working hours. Training on modern slavery and human trafficking in our property group on a continuous basis due to the heightened risks involved in keeping the properties well maintained

> Financial services

Our financial services units operate under a global threat of not only modern slavery but organised crimes such as human trafficking, corruption and bribery. The provision of financial services and microfinance intersects with areas such as banking, software, underwriting and many others high risk areas.

There is therefore, an emphasized requirement to ensure that the sourcing of goods and services is meticulously conducted to filter any infiltration of these criminal elements. Currently, our main supplying countries for goods and services are Zimbabwe, Botswana, South Africa, Switzerland and the United Kingdom. Our financial units conduct due diligence on prospective and existing suppliers however there are concrete plans develop the due diligence requirement process by means of a regulatory framework.

There has not been any formal training on modern slavery to staff members or suppliers however our current recruitment, Anti-Corruption & Bribery and Employee Conduct policies are underlined by an awareness to eliminate Modern Slavery and human trafficking. Effectively, the recruitment of staff and suppliers will be on a more supervised basis that applies more focus on the eradication of modern slavery.

> ICT

Masawara's ICT units have a supply chain that consists of five components consisting of planning, sourcing, testing, delivery and returns. Each stage is marked with cognisance of the risks of child labour practices and slavery. We source our products from Zimbabwe, South Africa, Israel, Mauritius, United States of America, the United Kingdom and the United Arab Emirates, to name a few. Given the vast and diversified list of our suppliers, due diligence is undertaken at each stage to ensure that they are aware of our policy against modern slavery. We conduct thorough corporate checks to ensure our visions are aligned with those of our supplying teams. There is awareness of modern slavery embedded in the Supplier policy, Anti-Corruption and Bribery policy and the human resources manual.

Our Policies

Due to the fact that we are an international company constantly evolving and growing, each subsidiary is enjoined to produce policies that address these risks in our operations and supply chain. We therefore operate a number of internal policies to ensure that we are conducting business in an ethical and transparent manner. These include;

> **Recruitment Policy:** We operate a robust recruitment policy, including conducting checks on work eligibility for all employees to safeguard against human trafficking or individuals being forced to work against their will.

> **Anti- Corruption and Bribery Policy:** It is our policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships. This policy applies to employees of the Company, as well as its agents, independent contractors, suppliers and consultants.

> **Supplier code of conduct Policy:** Masawara PLC operates a supplier policy and maintains a preferred subcontractor/supplier list. To ensure all those in our supply chain and subcontractors comply with our values we conduct due diligence on all subcontractors and suppliers before allowing them to become a preferred supplier. Our anti-slavery policy forms part of our contract with all subcontractors/suppliers and they are required to confirm that no part of their business operations contradicts this policy. We are committed as an organisation to tackling modern slavery and human trafficking and want to work with suppliers who share our values.

> **Environmental Policy:** This code details the ways in which the Company seeks to engage with the environment in a manner that is ethical and responsible and will lead to sustainable

development. The environmental policy applies to all our units but is emphasized the most in the property units.

> **Employee Conduct:** This code explains the manner in which we behave as an organisation and how we expect our employees and suppliers to conduct themselves within the company and with external suppliers, consumers and agents.

Our policies detail our commitment to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. We strive to ensure that we act ethically and with integrity in all our business relationships by implementing and enforcing effective systems and controls to combat any form of modern slavery or human trafficking.

Due Diligence

As part of our initiative to identify and mitigate risk, we undertake due diligence when taking on new suppliers. This includes mapping the supply chain to assess particular products and the geographical risks associated with them

Further, we conduct KYC checks on each supplier to evaluate their modern slavery and human trafficking risks. Suppliers are reviewed on a regular basis and we are constantly taking steps to improve all aspects of the supply chain.

Further steps

We intend to continue to assess all new suppliers and verifying that they have taken steps to eradicate modern slavery within their own businesses before engaging them. Our company notifies all existing suppliers of our expectations and their obligations in relation to the prohibition of modern slavery.

The incorporation of anti- modern slavery and human trafficking obligations into procurement and subcontracting agreements is an ongoing aim for Masawara PLC, which the Group is constantly seeking to enforce. We are committed to include appropriate measures in our due diligence processes for sourcing suppliers, subcontractors on a risk assessed basis.

Furthermore, we intend to provide more training to relevant group employees to ensure that there is an adequate level of understanding of the risks of modern slavery and human trafficking.