



**altron**®



# United Nations Global Compact

Communication on Progress Report 2015

# United Nations Global Compact

## Communication on Progress Report 2015

Altron celebrated its 50<sup>th</sup> year in business this year, since its founding on the 1<sup>st</sup> of April, 1965. The fact that Altron has survived and thrived for half a century is a great source of pride and comfort to us all. While the group has been a beacon of light in the South African high technology industry for the greater part of this period, it has also undergone numerous transformations, many of them creating more uncertainty and greater challenges than those we currently face. At this historic time of our 50<sup>th</sup> anniversary, we are proud to be able to look back on our legacy of investment in the socio-economic transformation of South Africa and, following the country becoming a true democracy.

During our illustrious past, a strong ethical culture and respect for human rights has always been important to us at Altron. To support this, we continue to be signatories to the United Nations Global Compact, the Copenhagen Communiqué on Climate Change and the Call to Action: Anti-Corruption and the Global Development Agenda (see annexure at the end of this submission), and early in 2014 we commissioned the Ethics Institute of South Africa to undertake a review of our ethics programme. We were pleased to learn from this review that our ethics management process is well embedded in the group and considered to be highly successful by the institute.

Altron is pleased to present its 2015 United Nations Global Compact (UNGC) Communication on Progress (COP) report, covering the group's activities for the period **1 March, 2014 to 28 February 2015**. Altron has been a signatory to the UNGC since 2009, and has been an active participant in various meetings and related initiatives in line with the UNGC principles, in particular through the National Business Initiative (NBI), a local business association that supports and encourages implementation of among others the UNGC's 10 principles and the United Nations' Millennium Development Goals (MDGs) in South Africa. We have also taken into consideration the recently announced United Nations' Sustainable Development Goals (SDGs) that now supersede the MDGs going forward to 2030.

This document represents our sixth COP report (2010-2015) and as the different commitments, initiatives and projects outlined in this report show, we continue to support and integrate the 10 principles into our strategy, our culture and our day-to-day operations, demonstrating our continued commitment and support towards the UNGC.

Through our commitment to the UNGC we emphasise our efforts to embrace, support and enact a set of core values in the areas of human rights, labour standards, the environment as well as our efforts to combat corruption. We believe that this 2015 COP report not only highlights the importance we place on the 10 principles but also assists stakeholders to cross reference each of the principles to the various initiatives we have implemented and the progress made to date.

As a publicly listed company on the Johannesburg Stock Exchange (JSE) in South Africa, Altron accepts its responsibility to ensure that the company operates in a manner that not only strives to be financially sound, but also encourages a high level of transparency, accountability and social and environmentally responsible behaviour. To achieve this, we ensure that our governance and risk management structures identify, and where applicable, adhere to local and international standards and best practices, including the UNGC.

In addition to being signatories to the UNGC, Altron actively takes part in the following local and international initiatives and codes of good practise:

- CDP Climate Change – since 2008 (ongoing);
- CDP Water – voluntary submission since 2011 (ongoing);
- JSE Socially Responsible Investment (SRI) Index – since 2004 (ongoing) – to be updated as part of the FTSE Russell going forward;
- Adherence to the recommendations of the King Code of Corporate Governance for South Africa (King III) – since 2010 (ongoing); and
- International Integrated Reporting Council's (IIRC) International Integrated Reporting <IR> Framework – since 2009 (ongoing).
- Our Integrated Annual Report (IAR) conforms to the requirements of local and international reporting frameworks, including those of the South African Companies Act No 71 of 2008, the JSE Listings Requirements and we have also applied King III. We have used the Global Reporting Initiative (GRI) G4 Sustainability Reporting guidelines and the International Integrated Reporting Framework <IR> to guide us in monitoring our performance and to align and structure our IAR. This allows us to show the connectivity between material information on our strategy, governance and performance and also shows how our strategy

affects, and is affected by environmental, social and financial issues. This is further illustrated through the independent assurance of our IAR, by an external service provider.

## Statement of Continued Support

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Allied Electronics Corporation Limited (Altron) continues to support the 10 principles of the UN Global Compact in respect of human rights, labour rights, environmental protection and anti-corruption. As Chief Executive of Altron, I welcome the opportunity to again reaffirm our commitment to advancing the UNGC principles not only through our direct business activities, but also within our sphere of influence. We aim to lead by example in the area of responsible business conduct by raising awareness of the importance of the UNGC principles. Respecting these principles today will ensure a better future for our company and our stakeholders tomorrow.

Having formally launched our sustainability strategy in 2013, we know and understand that our business success is directly linked to the integration of environmental, social, and governance issues into our long-term business strategy as well as our day-to-day operations.

The Altron group continues to strive for the highest possible standards in good corporate citizenship and sustainable business practices. As such, integrity and commitment to our stakeholders have been one of our primary focuses over the years. In all of our business dealings, honesty, fairness, equality, and ethical conduct form the cornerstone of how we conduct business.”



**Robert E. VENTER**

Chief Executive: Altron

## Communication on Progress in Meeting the Expectation of the 10 UNGC Principles

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The UNGC is a call to all companies to voluntarily align their operations and strategies with the 10 universally accepted principles in the areas of human rights, labour, environment and anti-corruption, and to take action in support of UNGC goals and issues related thereto. The UNGC is a leadership platform for the development, implementation and disclosure of responsible corporate policies and practices.

This year marks the sixth year of Altron's commitment to the UNGC and its 10 guiding principles. While much has changed in the world and within our company since our first COP report in 2009/2010, our commitment to the UNGC's 10 principles remains firm. We recognise that we have a duty of responsibility that extends to our shareholders, employees, customers, suppliers, business partners, government and the communities in which we operate. Our commitment to the Global Compact – as well as our commitment to working responsibly – is a fundamental part of how we fulfil our company's vision. The principles are embedded within our company's business practices, policies, and operations and help us perform and operate in a responsible manner.

The landscape of business is continually changing. Governments, citizens and customers are increasingly calling on companies to account for the way in which they do business – they expect businesses to behave responsibly and transparently, and to ensure that their impact do not cause harm to people or the planet. What this means is that business can no longer chase profits at the expense of everything else. A company that makes money while harming the environment, employing child labour, disrespecting the rights of its employees or selling harmful products, will no longer be tolerated and cannot survive or thrive.

Sustainability is not a new concept to Altron – it is something that we have been doing for a long time in various ways. While we have always focused on ensuring that the business is well-run, profitable and able to adapt to changing market conditions, our sustainability journey first began in the late 1990s when we turned our attention to diversity and the issue of black economic empowerment. This was followed by a strong focus on corporate social investment and later, an effort to understand and reduce our environmental impacts.

In the mid-2000s we produced our first dedicated Sustainability Report and at the end of the decade Altron was one of the first companies in South Africa to make the transition to integrated reporting which brings sustainable business practices into the core of our business. This evolution has paved the way for where we

find ourselves today – a company with a fully-fledged sustainability strategy which cuts across all aspects of business and drives the fundamental business strategy of our organisation. Sustainability is no longer a part of our business – it is our business. It has become part of our DNA.

Altron continues to participate in learning forums hosted by the National Business Initiative (NBI), representatives of the United Nations Global Compact (UNGC) and during the year, a case study on Altron's approach to incorporating the 10 Principles of the UNGC into business was included in the UNGC's publication "Mainstreaming Integrity in Business Practice".

The Altron Social and Ethics committee is satisfied with Altron's standing in terms of the 10 Principles of the United Nations Global Compact (UNGC). Altron became a signatory to the UNGC's Call to Action: Anti-Corruption and the Global Development Agenda as a further indication of its commitment to Principle 10 of the UNGC.

## Summary of progress towards meeting the expectations of the 10 UNGC Principles

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The UNGC has presented practical guidelines to Altron in its journey to integrate sustainability into our business strategy. In 2012 Altron developed its first formal sustainability strategy which was launched in January 2013, followed by the development of a sustainability manual, currently in its third edition, that supports the implementation and rollout of the sustainability strategy throughout the group. Altron annually updates the manual to ensure the company stays abreast with the latest national and international developments and also update their own strategy to be in line with any new development and/or requirements.

In addition, Altron's Social and Ethics Committee, which was appointed by the Altron shareholders and came into effect on 1 March 2012, continues to monitor and oversee those social and ethical functions as set out in the South African Companies Act, as amended from time-to-time, as well as those responsibilities assigned to it by the Altron Board. These responsibilities include but are not limited to Altron's performance with respect to legislation and codes of best practice, labour, human rights, and the environment.

With this COP, we confirm that we are actively working towards ensuring that the UNGC and its principles become fully entrenched in our business strategy and culture, and that we will continue to seek and participate in collaborative projects that advance the broader development goals of the UNGC and the MDGs, and more recently the newly announced SDGs. The aim of this 2015 COP report is to detail the ongoing commitments, actions and progress Altron has made

against the 10 principles. The report provides an abridged and partial view into how we acknowledge and implement the 10 principles in our business. The report should be read in conjunction with the groups 2015 Integrated Annual Report, which can be found at <http://www.altron.com/iar2015/>.

Refer to our GRI and Assurances table for cross referencing of the different GRI indicators for more detail on our website at

<http://www.altron.com/iar2015/governance/gri.asp>

## How we govern our business

In our response to the UNGC the key element in ensuring that the 10 principles are effectively implemented and become part of the group’s way of doing business we do believe that effective governance structures play a critical role. Good corporate governance, which includes transparency, honesty and accountability, is key to the integrity of our organisation, including our ability to manage risk and perform at optimum levels. Underpinning our disciplined approach to governance is our determination to ensure that we maintain a balance between good governance and the spirit of entrepreneurship that has built our business over the past 50 years.

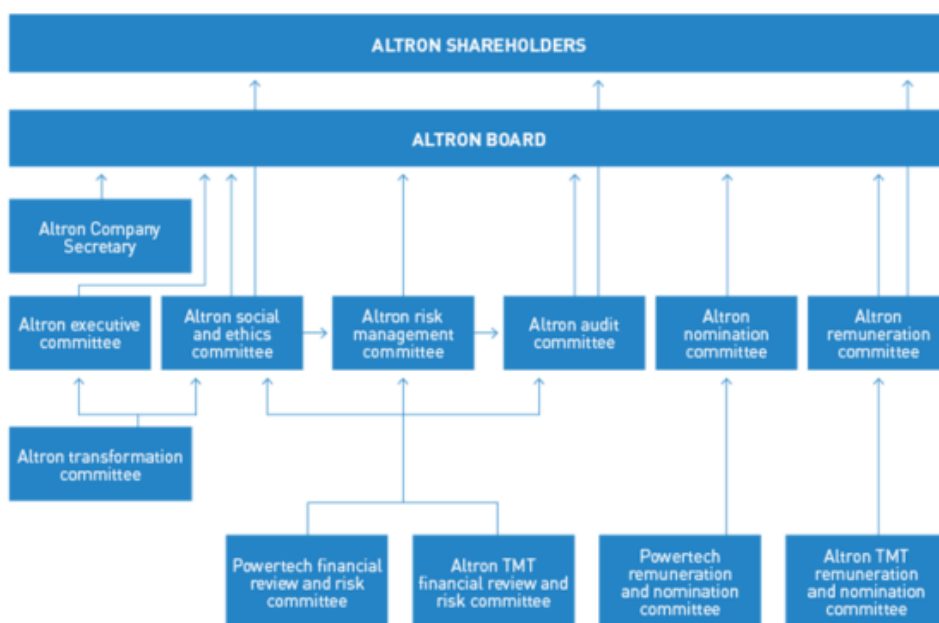
Altron pursues the long-term sustainability of its business through its core strategic values and has established clear lines of accountability for these values from board level throughout the organisation. Our application of these values is based on our recognition that strategy, performance, sustainability and risk are inseparable. The board also considers the concerns and

priorities of its wider stakeholder environment in its strategic guidance and decision-making process.

Our board performs its governance responsibilities within a framework of policies and controls, which manage our economic, environmental and social performance and provides for effective risk assessment. The board’s responsibilities are outlined in its charter which the board reviews and adopts annually. Certain mandates, charters and terms of reference governing the board and its committees are available on the Altron website while others are available from the Altron secretariat on request.

While the board charter is closely aligned with the recommendations of King III, it is customised to suit Altron’s unique business. The charter and our memorandum of incorporation detail the responsibilities and duties of the board.

All the board’s committees operate under board-approved mandates and terms of reference, which are updated as necessary, to ensure their alignment with current best practice and evolving business conditions. With the exception of the executive committee, all committees are chaired by independent non-executive directors who attend our annual general meeting to respond to any shareholder queries. Every year our shareholders are required to elect the members of our audit committee at our annual general meeting, as it is a statutory committee in terms of the Companies Act. The members of our other board committees are re-appointed annually by the board at the first board meeting following the annual general meeting.



# Human Rights

**Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights

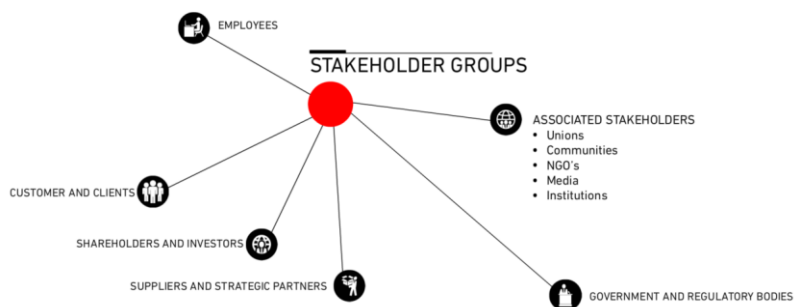
**Principle 2:** Business should make sure that they are not complicit in human rights abuses

## Policies, procedures and management structures

Altron remains committed to upholding fundamental human rights in the workplace and throughout our sphere of influence. In general, human rights are satisfactorily managed throughout the group. As a signatory to the UNGC, Altron has made a public commitment to the Universal Declaration of Human Rights. This commitment is encapsulated in the company's Code of Ethics and its Human Rights and Labour Conditions Policy that can be found on our website under Policies and Procedures at:

[http://www.altron.com/about\\_policies.asp](http://www.altron.com/about_policies.asp)

Altron has a comprehensive set of policies, procedures and committees to ensure the protection of human rights, where the protection of rights permeates through a number of employee, subsidiary and/or supplier codes and/or agreements. We review these policies on a regular basis to ensure that we adequately address issues such as forced and/or compulsory labour, child labour, discrimination and gender equity.



Altron is committed to embedding a strong ethical culture in its businesses and maintaining good corporate governance structures. The Altron social and ethics committee facilitates Altron's approach in this regard and it offers the group a structured forum for the monitoring, measuring and reporting of the ethics and certain other non-financial aspects of Altron's business. As referred to in the report on how we govern our business, the committee works within the framework set out in Regulation 43 of the Companies Act of 2008 (Companies Act) and the King Report on Governance for South Africa 2009 (King III).

## Implementation and initiatives

The Altron Social and Ethics Committee, which is a statutory committee in terms of the Companies Act of South Africa, assists the group with the oversight of social and ethical matters relating to the Altron group and performs an oversight and monitoring role in terms of any relevant human rights abuses associated with our group, our suppliers and our partners. Altron acknowledges that our 'sphere of influence' extends beyond our employees and shareholders. We embrace a cradle-to-grave approach to corporate responsibility and as such extended our human rights focus to include our own suppliers and contractors.

In the past Altron conducted surveys with a range of international suppliers from different countries and industries to assess their practices relating to basic human rights including health and safety; hours, wages and leave; fair treatment of employees; community impacts; product stewardship, labour practices; the risk profile of the country concerned; and the extent to which suppliers' manage and monitor human rights in their own supply chain.

Although this was a once-off exercise we continue to engage with and educate suppliers on issues of sustainability, ensuring that they are familiar with our expectations as outlined in our group's policies and procedures. With its "Sustainability in the Supply chain Strategy" Altron is currently looking at engaging with our major suppliers around our four sustainable business value drivers of which human capital is one. Phase one of the strategy included the identification and evaluation of our most strategic and key suppliers based on a variety of factors including total spend, geographical location, criticality of supply, to name a few.

Phase two of the study is scheduled to commence at the end of this year and we aim to develop a more detailed engagement process with these shortlisted suppliers. This includes a detailed questionnaire that enquires about issues such as human capital, human rights, environmental, corruption and responsible products and services. In addition, Altron requires all key suppliers to confirm that they have read and understood and agree to the relevant Altron policies and procedures and that they subscribe to principles of lawful and ethical business conduct as dealt with in these policies.

Continued stakeholder engagement is a core focus for the group and forms the underlying departure point for how the group determines its materiality. The information we gather from our various stakeholder engagements feeds into our decision-making process and also drives our business strategy. Altron's Sustainability Department engages with a wide range of stakeholders including employees, suppliers, customers and contractors on key topics such as human rights, ethics and the company's sustainability strategy. To date no human rights issues were brought to our attention or identified as part of our stakeholder engagement process.

A detailed discussion of our stakeholder engagement is available on our group's website at <http://www.altron.com/iar2015/focus/stakeholder-engagement.asp>

While certain countries in which Altron operates, have been identified as posing a potential risk to human rights, none of our operations reported or were implicated in any incidents of discrimination, violation of human rights or the rights of indigenous peoples, nor were there any grievances relating to human rights abuses, in the year under review.

## Feedback and Goals

<b>Achievements</b>	<p>Conducted Phase one of the "Sustainability in the Supply Chain Strategy"– identification and evaluation of key suppliers; Monitored human rights through our Social and Ethics Committee; Chief Ethics Officer continued to monitor any human rights abuses; and Reviewed and where applicable, updated the following policies and procedures:</p> <ul style="list-style-type: none"> <li>• Human Rights and Labour Conditions</li> <li>• Code of Conduct</li> <li>• Code of Ethics</li> </ul>
<b>Commitments</b>	<p>Introduce phase two of the "Sustainability in the Supply Chain Strategy" and include human rights as one of the topics to review in more detail; Continue to engage with all stakeholders to identify human rights violations (whether by direct or indirect actions) and promote human rights; Continue to roll out the ethics training to all employees; Identify any human rights issues via the group's Social and Ethics Committee; and</p>
<b>GRI Indicators</b>	G4-HR1 – HR12, G4-SO1, SO2
<b>UN MGD</b>	Refer to Additional information demonstrating Altron's commitment to the UNGC's 10 Principles at the end of this report.

## Labour

### Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

<p><b>Policies, procedures and management structures</b></p> <p>As expressed in our "Human Rights and Labour Conditions Policy" (See: <a href="http://www.altron.com/about_policies.asp">http://www.altron.com/about_policies.asp</a>), Altron actively recognises the right of employees to collective bargaining and freedom of association in accordance with all relevant labour legislation. Altron is also committed to facilitating open communication and direct engagement between employees and management in those situations where the right to freedom of association and collective bargaining is restricted under law.</p> <p>Organised labour unions are an important stakeholder in many of our businesses, and large numbers of employees belong to various unions across the group, particularly in our manufacturing operations.</p> <p>In total 64% (2014: 64%) of Altron Power's South African employees are covered by collective bargaining agreements. While six different trade unions are formally recognised in Altron Power, 85% of its unionised employees are NUMSA members.</p> <p>The proportion of employees covered by collective bargaining agreements at Bytes is small and does not meet the minimum requirements for a formal constituted body.</p> <p>In addition to union representation, employee rights are protected through the full compliance of all Altron companies with relevant local legislation, including the Labour Relations Act (1995), the Basic Conditions of Employment Act (1997), the Employment Equity Act 55 (1998), the Skills Development Act (1998), the Occupational Health and Safety Act (1993), the Unemployment Insurance Act (1993) and the Broad-Based Black Economic Empowerment Act (2003). We are also governed by the Bill of Rights as contained in the South African constitution, the United Nations Global Compact on Human Rights and our own internal Human Rights Policy, all of which cover various aspects of the rights of employees.</p>	<p><b>Implementation and initiatives</b></p> <p>All Altron group employees have the freedom to belong to recognised bargaining councils, in accordance with the Labour Relations Act of South Africa and the UNGC Principles. Altron is confident that human rights in the Altron group is dealt with in accordance with its policy on human rights and labour. This policy was updated and approved by the Altron board during the period and Altron is currently developing a process to improve the way in which it regularly monitors and observes its behaviour in terms of human rights. The Altron social and ethics committee will monitor this aspect in more detail during the following year. A follow-up supply chain analysis, similar to the analysis conducted in the 2012 financial year is likely to be introduced to support the programme.</p> <p>Wherever employees are represented by unions or through collective bargaining units, Altron maintains constructive relationships with all of our unions, who are afforded consultative and/or negotiating powers on issues of shared interest.</p> <p>Copies of the Basic Conditions of Employment Act, the Skills Development Act and the Employment Equity Act are displayed in all work places and made available on the company's intranet. Formal grievance procedures are also in place through which employees can raise issues.</p> <p>Through its Social and Ethics Committee Altron continues to monitor and provide feedback on any issues related to freedom of association and collective bargaining.</p> <p>The Altron group ensures that its employees' rights are protected by fully complying with all the relevant legislation in the countries in which we operate. None of the countries in which we operate have been identified as posing a significant risk for incidents of forced or compulsory labour, child labour, or for undermining the right to exercise freedom of association and collective bargaining.</p>
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	<p>Our employees can easily access the Basic Conditions of Employment Act, the Skills Development Act and the Employment Equity Act, which are displayed in our workplaces and are available online via the company's intranet or on request from the various human resource teams.</p> <p>Notice periods regarding operational changes are outlined in our standard terms and conditions of employment and range from 30 to 60 days. The provisions of the main agreement with the Metal and Engineering Industries Bargaining Council (MEIBC) determine the notice periods for scheduled employees.</p>
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**Feedback and Goals**

During the year under review, none of Altron's operations were specifically identified as posing a risk for undermining the rights of employees to exercise freedom of association and collective bargaining. All employees have the freedom to belong to recognised bargaining councils as per the Labour Relations Act of South Africa. However, during the year the impact of the month long metal industry strike on our operations included developing and implementing contingency plans for absenteeism, intimidation, violence, picketing rules and communication links. Approximately 1 746 hourly paid employees were involved in the strike, resulting in absenteeism of over 90% during the period of the strike. The strike finally came to an end when the metal industry concluded a three-year wage agreement with NUMSA, which included a 10% increase in minimum level wages in the first year of the agreement. This translated into an 8,9% increase on our Powertech payroll. In the second year of the agreement a 9,5% increase was negotiated and in the third year a 9% increase.

The following provides a summary of achievements and future commitments on freedom of association and collective bargaining:

<p><b>Achievements</b></p>	<p>Engaged with employees via unions and collective bargaining units;                  Included unions and collective bargaining units in relevant meetings and committees;                  Continued to monitor and review issues related to freedom of association and collective bargaining;                  Identified and addressed areas of concern as raised by unions throughout the period under review;                  Conducted workplace risk assessments; and                  Reviewed and where applicable updated the following policies and procedures:</p> <ul style="list-style-type: none"> <li>• Human Rights and Labour Conditions</li> <li>• Industrial Relations Policy</li> <li>• Code of Conduct</li> </ul>
<p><b>Commitments</b></p>	<p>Continue to uphold and implement the actions listed above</p>
<p><b>GRI Indicators</b></p>	<p>G4-11, G4-HR4, HR7, G4-LA4, LA8</p>
<p><b>UN MGD</b></p>	<p>Refer to Additional information demonstrating Altron's commitment to the UNGC's 10 Principles at the end of this report.</p>



## Labour - Continued

**Principle 4:** Elimination of all forms of forced and compulsory labour

**Principle 5:** Effective abolition of child labour

### Policies, procedures and management structures

As indicated in our "Human Rights and Labour Conditions Policy", Altron does not permit any form of forced, compulsory or child labour be it within any of our own companies, or within our extensive supply chain. All employees, including contractors, are sourced from the open labour market, with all employment occurring in the presence of mutually agreed upon labour contracts in accordance with relevant labour legislation. All employees are afforded the freedom to resign at any time within their respective employment contract conditions. Altron actively monitors compliance with the labour legislation in each of the countries within which we operate, and are mindful of the variances in minimum age restrictions.

### Implementation and initiatives

Altron supports the promotion of equality and prevention of unfair discrimination within the work environment. Its group-wide transformation strategy "Beyond 2012" was launched in July 2012. This strategy strives to address, among others, employment equity targets for senior management and higher levels within the group.

Similar to overseeing human rights in the group, Altron's Social and Ethics Committee, is also responsible for monitoring social and ethical matters relating to forced and compulsory labour and/or child labour.

As previously mentioned in principal one, Altron's "Sustainability in the Supply Chain Strategy" will include human rights issues such as forced, compulsory and child labour issues. As part of this engagement we aim to identify any human rights violations and incidents in our supply chain with the view to guide and if necessary assist these suppliers in addressing their human rights issues.

While certain countries in which Altron operates have been identified as posing a potential risk to human rights, none of our operations has specifically been identified as posing a risk for incidents of forced or compulsory labour, child labour or for undermining the right to exercise freedom of association and collective bargaining.

To our knowledge there were no grievances filed relating to any of Altron's operations, their partners or suppliers with regards to any form of human rights abuse including forced and compulsory labour or child labour during the year under review.

### Feedback and Goals

The following provides a summary of achievements and future commitments on forced and compulsory labour as well as child labour issues:

<b>Achievements</b>	Continue to include our "Human Rights and Labour Conditions Policy" to suppliers as part of their appointment contract; Continue to monitor the press for any indication of human rights issues identified with any of our suppliers and/or clients; Improved awareness among employees on their rights around forced and compulsory labour; Reviewed and where applicable updated the following policies and procedures: <ul style="list-style-type: none"> <li>• Human Rights and Labour Conditions</li> <li>• Human Resources and Employment Policy</li> <li>• Code of Conduct</li> </ul>
<b>Commitments</b>	Continue to uphold and implement the actions listed above; Include labour issues in our "Sustainability in the Supply Chain Strategy"; and Continue to monitor and manage any labour related issues internally in the group and in our supply chain.
<b>GRI Indicators</b>	G4-HR1, HR2, HR5 - HR7
<b>UN MGD</b>	Refer to Additional information demonstrating Altron's commitment to the UNGC's 10 Principles at the end of this report.

## Labour - Continued

### Principle 6: Elimination of discrimination in respect of employment and occupation

#### Policies, procedures and management structures

Altron adheres to this principle through a combination of policies, procedures and committees ensuring the protection of employee rights. Altron supports the promotion of equality and prevention of unfair discrimination within the work environment. Its group-wide transformation strategy, "Beyond 2012", was launched during 2012 and strives to address, among others, employment equity targets.

The Altron Code of Ethics clearly lays out aspirational ethical guidelines for everyday behaviour to codify the conduct required by managers, employees and owners in their dealings with one another, customers, suppliers and society at large.

Altron requires all its representatives to act in good faith and in a manner that promotes our aspiration to be a good corporate citizen. As previously mentioned, the issue of corporate ethics receives attention from the highest level of management within Altron, with the chief executive being ultimately responsible for implementing our Code of Ethics and Corporate Code of Conduct. We also require all of our suppliers to acknowledge and confirm in all supplier contracts that they have read and understood our Code of Ethics and agree to be guided by it in terms of their actions and behaviour towards their own employees.

The group executive: corporate affairs, chairs the human capital council. The council develops the human capital strategy for the Altron group, which in turn is executed by our two operations and their respective business units. The council also develops and assists with the implementation of plans to prioritise human capital issues that need to be addressed in the group.

To ensure the group complies with and adheres to all relevant human capital issues we ensure that all our operations comply with the Labour Relations Act, No 9 of 1995, the Basic Conditions of Employment Act (1997), the Skills Development Act (1998), the Occupational Health and Safety Act (1993), the Unemployment Insurance Fund Act (1993) and the amended Board-based Black Economic Empowerment Act (2003).

#### Implementation and initiatives

The Board, Audit, Risk and Social and Ethics Committees monitor compliance with Altron's Codes of Ethics through feedback from the whistle-blower hotline (Tip-off Tim), the ethics office, Altron's Internal Audit Department and the relevant sub-holding group security officers. Our Social and Ethics Committee is the vehicle for the Altron directors to initiate various programmes and receive feedback on any unethical behaviour and discrimination in the workplace. Results of these programmes are reported to the Social and Ethics Committee which filter through to the Risk Management Committee, the Audit Committee and ultimately the Board.

The Social and Ethics Committee also assists the Board with the review of social and ethical matters relating to the Altron group, its employees, partners and supply chain. It performs an oversight and monitoring role in terms of:

- the embedding of a culture of ethical behaviour in Altron in partnership with the Altron ethics office, which is run by the chief ethics officer, and the internal audit function;
- activities with regard to any relevant legislation or codes of best practice;
- activities with regard to social and economic development;
- good corporate citizenship;
- performance in terms of the environment, health and public safety, including the impact of the company's activities on its employees; and
- promotion of equality, prevention of unfair discrimination, reduction of corruption, transformation policies and strategies and social responsibility policies and strategies

Altron recognises that transformation and elimination of discrimination in respect of employment and occupation, is an on-going process, not an end-point, and with this in mind the company is in the process of reviewing its "Beyond 2012" transformation strategy to drive the next phase of transformation.

Altron's Transformation Committee (Transcom) plays an integral part in the company's transformation success. Reporting to the Altron Executive Committee as well as the Altron Social and Ethics Committee, Transcom drives the company's transformation strategy and is guided in this by South Africa's broad-based black economic empowerment (B-BBEE) legislation, which includes the Skills Development Act and Employment Equity Act, and the Department of Trade and Industry's Codes of Good Practice (dti CoGP). As per South African legislation, Altron submits to government an annual Employment Equity Report, and includes all relevant statistics within our Integrated Annual Report.

Altron is committed to prevent discrimination in respect of employment and to promote employment equity in the workplace. To his end Altron continues to improve overall awareness around discrimination and where relevant review and update policies that deal with discrimination and harassment. The following policies and procedures are available from the Human Resource Departments of the Altron group and can also be accessed on the Altron Intranet as well as some policies that are publically available at [http://www.altron.com/about\\_policies.asp](http://www.altron.com/about_policies.asp)

- Anti-corruption and Economic Crime Policy
- Code of Conduct
- Code of Ethics
- Corporate Compliance Policy
- Disciplinary Code and Procedures
- Grievance Procedures
- HIV and AIDS Policy
- Human Resources and Employment Policy

- Human Rights and Labour Conditions
- Safety Health and Environmental Policy
- Sexual Harassment Policy
- Succession Planning Procedure
- Whistle-Blowing Guidelines Policy

**Feedback and Goals**

The following provides a summary of achievements and future commitments to monitor and control any discrimination in respect of employment and occupation:

**Achievements**

Continued to report any discrimination to the Social and Ethics Committee;  
 Continued to conducted ethics climate surveys across our operations;  
 Various articles published in our internal magazines to prevent any form of discrimination; and  
 Reviewed and where applicable updated the following policies and procedures:

- Human Resources and Employment Policy
- Sexual Harassment Policy
- HIV and AIDS Policy
- Disciplinary Code and Procedures
- Grievance Procedures
- Succession Planning Procedure
- Code of Conduct
- Corporate Compliance Policy
- Code of Ethics
- Anti-corruption and Economic Crime Policy
- Safety Health and Environmental Policy
- Human Rights and Labour Conditions
- Whistle-Blowing Guidelines Policy

**Commitments**

Continue to review "Beyond Vision 2012" transformation strategy and introduce targets to achieve in terms of a transformation strategy;  
 Continue to regularly review and update relevant policies;  
 Continue to uphold and implement the actions listed above;  
 and  
 Identify relevant action plans to improve the overall awareness and effectiveness of the group's ethics programmes

**GRI Indicators**

G4-10, G4-11, G4-LA1,LA2, LA3, LA9, LA11 ,LA12, LA13, G4-HR1, HR3, HR7, HR10, G4-EC5, EC6,

**UN MGD**

Refer to Additional information demonstrating Altron's commitment to the UNGC's 10 Principles at the end of this report.

## Environment

**Principle 7:** Businesses should support a precautionary approach to environmental challenges

**Principle 8:** Undertake initiatives to promote greater environmental responsibility

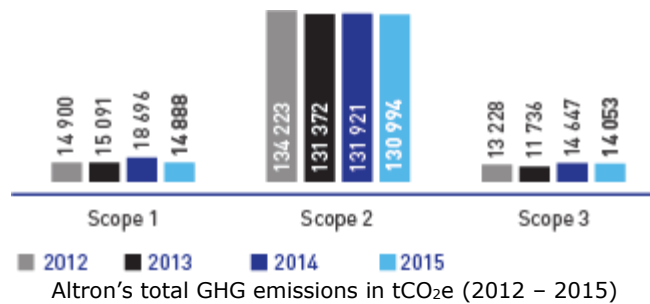
### Policies, procedures and management structures

There is a clear business case for sound environmental management in Altron. It reduces our exposure to a range of risks including financial risks arising from taxes and fines, reputational brand risks, supply chain management and business interruption risks that could arise from changes in weather patterns or extreme weather conditions associated with climate change.

In response to the imminent threats posed by climate change and increased pollution, Altron has, over the last few years, increased its understanding of environmental issues, and made a strong commitment to reduce its environment footprint. We focus on lowering our carbon and water footprint, improving energy efficiencies, reducing pollution, reducing waste to landfill and ensuring the responsible use of water.

While most of our operations, with the exception of Powertech, operate in industries with a low environmental footprint, we remain committed to lowering our environmental impact as part of our journey towards a sustainable business strategy. Environmental management is closely aligned to some of our business goals and has the potential to positively impact on our bottom line. Recycling and more efficient use of water and electricity, reduces overhead costs at a time when the entire group is focused on cost reduction initiatives.

See: <http://www.altron.com/iar2015/performance/relationships.asp>



Group companies are encouraged to participate in the NBI's PSEE (Private Sector Energy Efficiency programme) in order to identify opportunities to reduce energy cost. Ultimately lowering input costs into manufacturing processes.

### Implementation and initiatives

The Altron Social and Ethics committee receives regular reports on the environmental performance of the Altron group and monitors the group's performance in terms of safety, health and environmental (SHE) legislation and regulations. Any risks that are identified are raised and addressed by the appropriate operational and business risk committees.

No SHE impacts on communities, employees and/or customers, in terms of the group's operations, activities and services, were recorded during the health and safety reviews conducted throughout the Altron group in the year under review.

Independent environmental reviews conducted throughout the Altron group also confirmed that no material environmental impacts relating to group's activities had been identified.

The completion of Altron's first three-year environmental reduction targets, set against certain common elements that contributed to the group's overall environmental footprint, resulted in a reduction in consumption of diesel, water and electricity. However, the group did not meet its targets in terms of domestic and international flights, waste and its use of paper.

The precautionary approach to identifying and managing environmental risk is at the heart of Altron's environmental policies, procedures and newly formulated sustainable business strategy. Altron's first formal sustainability strategy was launched in January 2013 and was followed shortly by the release of a sustainability manual that provided more detail as to how the strategy was developed, the implications and practical implementation of the strategy. Altron has subsequently reviewed and updated the sustainability manual to ensure that amongst other new environmental developments and commitments are included in the manual.

Altron continues to produce an annual sustainability report, in the form of our Integrated Annual Report, and is predominantly based on Altron's understanding of ever-increasing stakeholder expectations for effective environmental management and continued environmental awareness requirements.

During the year Altron reaffirmed its commitment to reduce its environmental footprint, guided by our environmental management processes and our three year reduction targets for water, waste and carbon emissions. These environmental risks are managed and monitored by the group and remains a standing item on all Risk Management and Social and Ethics Committee meeting agendas. Both these committees comprise the chief executives ('CE') and senior executives from the various sub-holding companies, as well as non-executive directors and various group managers. We have appointed key individuals at board level to represent and provide feedback on the group's sustainability agenda.

Altron's committed to environmental management has been a key performance indicator directly linked to the award of bonuses to executive management since 2010 (carbon emissions only). In 2012/2013, the commitment has been increased in that management's performance bonuses are now directly linked to Altron's three year environmental reduction targets for waste, water and carbon emissions.

To support our commitment to minimising our environmental footprint we introduced three-year environmental reduction targets for GHG emissions, municipal water usage and general waste to landfill in 2012. The positive impact the introduction of these targets has had on our environment, our performance

and our cost base has encouraged us to continue with this initiative. Altron will be introducing new three-year environmental reduction targets in 2015 for realisation in 2018.

External environmental consultants continue to conduct internal compliance audits on water, waste and energy at relevant sites in our operations. These audits did not identify any significant issues during the year and there were no significant environmental incidents or spills. We were not subject to any fines for non-compliance with environmental laws and/or regulations.

**Feedback and Goals**

The following provides a summary of achievements and future commitments to monitor and control environmental challenges and to improve general awareness:

**Achievements**

- Appointed our first internal environmental auditor;
- Completed our first round of environmental reduction targets
- Conducted various internal environmental audits;
- Continued to conduct internal environmental legal compliance audits;
- Drafted a waste management strategy;
- Implement internal environmental audit or internal assurance programme;
- Reported on G4 guidelines for 2015
- Reviewed and updated our Climate Change Framework.
- Reviewed and updated our SHE Policy; and
- Reviewed and updated the groups Sustainability Manual Version III
- Summited our sixth CDP Climate Change submission;
- Took part in our fourth voluntary CDP Water submission

**Commitments**

- Continue to implement environmentally friendly processes and practices; and
- Continue to roll out and implement the automation of data capturing wherever possible;
- Continue to take part in CDP reporting initiatives;
- Determine a new baseline for environmental footprint reduction targets, including water, waste and energy and to be used for the next round of environmental footprint reduction targets (2015 – 2018);
- Finalise and implement our environmental management strategy in 2014/5;
- Finalise and implement our waste management strategy in 2015/6;
- Increase overall awareness of the group’s sustainability agenda through articles, site visits, workshops, audits and road shows.

**GRI Indicators**

G4-14, G4-EC2, G4-EN1 - EN31

**UN MGD**

Refer to Additional information demonstrating Altron’s commitment to the UNGC’s 10 Principles at the end of this report.

## Environment - continued

### Principle 9: Encourage the development and diffusion of environmentally friendly technologies

#### Policies, procedures and management structures

In recent years Altron has made significant strides towards establishing a robust environmental management culture by embedding environmental sustainability policies, systems and practices into our business. The group continues to focus on delivering the best quality products and services without harming the environment. To this end we adhere to applicable legislation, policies and procedures as well as relevant standards and frameworks including but not limited to ISO14001, ISO9001 and OSHAS18001. Some of the Altron's Operations are also looking at implementing the ISO 50001 (energy management system) and ISO 26000 (social responsibility) standards in the next two years.

Although not applicable across all product and/or service lines, the development and diffusion of environmentally-friendly technologies is often at the forefront of our future-minded thinking. The increased global focus on environmental responsibility and the ever increasing pressure from our stakeholders opens up new business opportunities for the group each year.

With the cost of electricity rapidly rising, and water soon to follow, the decision to develop and/or adopt energy-and-water-wise solutions is most frequently based on our continuous push towards financial efficiency and waste minimisation. In addition to being an important part of our environmental responsibility, greater energy and water efficiencies are a social and business imperative.

The most evident business case for environmental responsibility is that it reduces our exposure to a number of risks and should result in cost reductions throughout the group. Direct financial risks arise from the proposed South African carbon taxation legislation, the potential for fines relating to non-compliance with environmental legislation, damage to operations and business disruptions that could result from physical environmental disasters. In addition, responsible environmental management protects us from reputational risk and the risk of losing customers and industry partners, as a result of products and services produced and delivered in an environmentally unfriendly manner.

Altron will continue to invest and support innovative products and services ideas through its innovation hubs and research and development budgets.

#### Implementation and initiatives

Environmental, health and safety reviews conducted throughout the group in the past year revealed that no SHE impacts relating to group's activities, products and services have been reported on communities, employees and/or customers. Altron continues striving towards improving product stewardship and monitors potential risks associated with products and services in its supply chain, including the potential risk of a product recall. As part of our innovation and R&D initiatives, operations within the group continue to look at and investigate environmentally friendly technologies associated with our products and services. Some of these initiatives include but are not limited to the following

- **Powertech Systems Integration (PTSI)** was developed and implements environmental friendly products and services to some of Altron's major clients including amongst others, Eskom, Sasol and various government departments. PTSI developed an Enterprise Digital Assistant device that increased the efficiencies of Eskom's technicians, reduced their travel costs by 60% and also resulted in a carbon footprint reduction. In addition PTSI developed an Automated Metering Infrastructure solution to manage residential geysers during peak hours. The contract was awarded for 44 300 geysers, resulting in an average saving of 19MWh per day.
- Another product that **PTSI** has in its basket of goods is the Raysulate Product Sheeting that is used among others to insulate cables, sub-stations and outdoor transformers. This is done to save and protect various bird species and animals for being electrocuted and prevent potential power supply interruptions.
- **PTSI** has also developed and implemented a commercialised rooftop PV (photo-voltaic) system for the energy market. In a very competitive market of renewable energy solution providers, PTSI has developed a comprehensive PV system, with world-class engineering capability, superior technology and power purchase agreements for its clients to not only decrease its dependence on local electricity providers, but also guarantees savings on electricity costs. PTSI have installed the product at their Menlyn offices and are reaping the benefits, and thereby doing the proverbial "walk-the-talk" in experiencing the benefits of this product solution first hand.
- **PTSI** was also contracted by Sasol to install 18 waste-heat boilers that converts heat ( $\pm 400^{\circ}\text{C}$ ) generated by Sasol's Gas Engine Power Plant into steam equating to a saving of almost 100 tonnes of coal a day for Sasol.
- **Altech UEC** in Mount Edgecombe, Kwa-Zulu Natal, has implemented more energy efficient manufacturing equipment, including 3 moulding machines and 2 ovens. In addition, their cardboard recycling project also prevented 1035 tons of cardboard going to landfill resulting in additional earnings for the group of approximately R950 000. Their newly established polystyrene recycling programme also resulted in the recycling of 440m<sup>3</sup> of polystyrene equal to 12 shipping containers each month.

Altron's Sustainability Department finalised its "Sustainability in the Supply Chain Strategy" and has already completed phase one of the strategy. Although this strategy is based on our four value drivers of financial sustainability, human capital, products and services and external relationship, two of these value drivers do address, in some form or another, improvements in our products and service delivery. Amongst others, suppliers will be encouraged to look at providing and contributing to more environmentally friendly and sustainability products to the Altron group.

## Feedback and Goals

The following provides a summary of achievements and future commitments to monitor the development and diffusion of environmentally friendly technologies:

### Achievements

Identified and encouraged environmental initiatives through the "Altron Greenest Company Awards";  
Submitted our sixth CDP Climate Change submission;  
Took part in our fourth voluntary CDP Water submission;  
Conducted our fourth internal "sustainability workshop";  
Continue to conduct internal environmental legal compliance audits;  
Continue to support innovations and research and development around our products and services;  
Completed the "Sustainability in the Supply Chain Strategy"; and  
Completed phase one of the "Sustainability in the Supply Chain Strategy".

### Commitments

Identify key areas to implement new environmentally friendly technologies through our own products and services;  
Implement phase two of our "Sustainability in the Supply Chain Strategy" in the next year;  
Review environmental reduction targets and trends annually;  
Continue to take part in CDP reporting;  
Increase overall awareness of the group's sustainability agenda through articles, site visits, workshops, audits and road shows; and  
Continue to engage with all relevant stakeholders around future environmental requirements and product specification.

### GRI Indicators

G4-EN2, EN7, EN10, EN19, EN27

### UN MGD

Refer to Additional information demonstrating Altron's commitment to the UNGC's 10 Principles at the end of this report.

## Anti-Corruption

**Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery

### Policies, procedures and management structures

Altron subscribes to the highest standards of good governance and ethical business practice. Altron has a zero-tolerance approach towards those who engage in corruption, bribery, fraudulent or illegal acts in the conduct of its business.

Altron's compliance framework rests on the company's comprehensive set of policies. These are regularly updated to reflect governance best practice and the evolving legal environment. All group companies and employees are obliged to comply with these policies. Altron's Corporate Compliance Policy focuses on 10 fundamental principles of business conduct, which includes the following;

- No anti-competitive behaviour;
- No corruption;
- No inappropriate risks for human health and the environment;
- No insider trading;
- No deception;
- No discrimination;
- No infringement of others' intellectual property rights;
- No conflicts of interest;
- No misinformation; and
- No breach of laws.

We are guided by the Altron Code of Ethics and Corporate Code of Conduct which commit all employees to the highest standards of behaviour. The Code of Conduct is included in the Altron group Policy Manual and outlines Altron's philosophy on corruption. In addition, Altron's Anti-corruption and Economic Crime Policy provides guidance on preventing and dealing with corruption, fraud and other illegal acts. This policy is closely aligned with the requirements of the UK Bribery Act the US Foreign Corrupt Practices Act and our own domestic legislation regarding bribery and corruption.

Altron requires all its representatives to act in good faith and in a manner that promotes our aspiration to be a good corporate citizen. The issue of corporate ethics receives attention from the highest level of management within Altron, with the chief executive being ultimately responsible for implementing our Code of Ethics and Corporate Code of Conduct. We also require all of our suppliers to acknowledge and confirm in all supply contracts that they conclude with the group that they have read and understood our Code of Ethics and agree to be guided by it in terms of their actions and behaviour.

As stated previously the Altron Board, Audit and Social and Ethics Committees monitor compliance with Altron's Code of Ethics through feedback from the anonymous whistle blowing hotline, Tip-off Tim, independently administered by Deloitte, to facilitate the reporting of incidences of fraud, theft, bribery, corruption and all other forms of dishonest and/or illegal, also underwent a rebranding to complement the overall ethics identity and to raise the awareness for the hotline. A series of training forums were also hosted at certain operations that had previously been identified as needing assistance to enhance the understanding and awareness of Tip-off Tim by employees. Particular emphasis was placed on reportable incidences including the difference between grievances relating to human resources versus incidents of fraud, theft, bribery, corruption and other such forms of dishonest and/or illegal behaviour.

Altron also maintains its existing ethics office with its dedicated ethics officer, who facilitates a one-on-one forum to assist employees who have ethical dilemmas.

### Implementation and initiatives

At Altron, anti-corruption and the promotion thereof falls within the ambit of the wider Altron ethics management programme.

The Altron board confirmed its commitment to conducting business with the highest ethical standards including the values of integrity, accountability, transparency and respect, by signing an Altron board ethics statement and publishing same on the Altron intranet in late 2013.

Altron's group-wide ethics training project came to an end in 2013 with almost 100% of employees receiving training on Altron's Code of Ethics. An overview of the project and recommendations for improvement were received and in 2014, a number of other initiatives were introduced to the group

Altron's legal department hosted a conference for employees in senior executive and top management positions for purposes of providing them with information and guidance on both local and international legislation applicable to the Altron group, which incorporate aspects of, inter alia, corruption and bribery.

In order to consistently remind employees of the standard of conduct required by them in terms of proper, ethical and lawful conduct, the Altron group conducted its annual exercise where management and key employees were required to declare in writing that during the year, they complied with applicable policies, standard and requirements. The declaration of proper conduct was distributed to employees and approximately 773 responses were received with no reports of non-compliance.

Altron's Tip-Off Tim anonymous whistle-blowing hotline remains Altron's main tool for reporting incidents of fraud, theft, corruption and other acts of illegal/dishonest behaviour. The hotline is outsourced to an independent third party and reports on various investigations in to allegations of such behaviour are monitored by Altron's internal audit department. Reports by Altron's internal audit department are submitted to Altron's Social and Ethics Committee and Altron Risk Management Committee and ultimately get reported to Altron's Board.

We are all affected by theft, bribery, corruption, dishonesty, fraud, conflicts of interest and other forms of unethical business practices.  
Make the right decision - Don't support it. Report it.

South Africa Toll Free: 0800 20 53 52  
Free Fax: 0800 00 77 88  
Email: info@tip-offs.com  
Free Post: KZN 136, Uitenhage Rocks 4209  
Website: www.tip-offs.com

altron AIRSOUTH BYTES PowerTech Deloitte



Ongoing group-wide communication featuring Altron's ethics-related policies, statistics on the consequences of misconduct and maintaining awareness around the fact that unreasonable profit pressure may result in employees acting unethically, is also being used to maintain ethical awareness in Altron through the Altron intranet and internal newsletters and magazines. These communication initiatives also reinforce Altron's zero tolerance policy towards crime and all forms of unethical conduct.

Ari, short for Aristotle, is Altron's ethics mascot and ambassador of the Altron Ethics Dialogue Programme which aims to communicate ethics to the Altron group.

Altron has been commended for incorporating its internal audit function into its ethics management system and during the year the internal audit function's survey questionnaire was revised, updated and improved to facilitate a stronger survey to identify strengths and/or weakness in Altron's current systems as opposed to only identifying the ethical climate of the group.

Altron's internal audit function also compiled the Tip-off Tim register which the committee discussed and reviewed. Any material risks that are identified in the register are elevated to the Altron risk management committee for further deliberation per the risk management report. Fortunately, no incidences were reported in the year under review which required the risk management committee's attention.



Apart from Altron's anonymous tip-off line, concerns around unethical, fraudulent and/or illegal activity can also be reported directly to:

- Altron's Internal Audit Department;
- Altron's Ethics Officer via a secure, confidential email address; and
- the relevant sub-holding group security officers.

No legal action was taken against the company for anti-competitive behaviour, anti-trust or monopoly practices and Altron was not subject to any fines or non-monetary sanctions for non-compliance with laws and regulations during the past year.

Altron was advised to improve the visibility of the group's ethics management initiatives and a project to re-brand ethics at Altron, including Tip-Off Tim, namely, the Altron Ethics Dialogue, was therefore developed and introduced to the group in 2014. An ethics mascot called "Ari" as well as new communicative material was designed and the Altron's intranet (Alix) was updated accordingly. (Alix remains the main communicative portal for the group). In addition thereto, Altron maintains its ethics e-learning facility for all employees to participate in and gain additional knowledge on ethical conduct.

Altron's internal audit department continues to regularly conduct ethics climate surveys and reports on the results thereof get submitted to Altron's Social and Ethics Committee for deliberation. Operations identified as having weak ethical climates are referred to the ethics office so that remedial action can be implemented.

Apart from the abovementioned initiatives, Altron continues to develop its initiatives to counteract the risks associated with bribery and corruption in the workplace. To date, these have included, among others, the following:

- adoption of an Anti-corruption and Economic Crime Policy that deals with many of the issues contemplated in the UK Bribery Act and in the Foreign Corrupt Practices Act in the USA;
- adoption of a Corporate Compliance Policy;
- adoption of a Gifts and Entertainment Policy as well as an electronics gifts register;
- implementation of a Declaration of Interest Policy;
- inclusion of a standard ethical conduct clause for incorporation in all supply and other customer contracts;
- adoption of a Reportable Irregularities Policy;
- amendment of Altron's memorandum of incorporation to record that no donations may be made to political parties without obtaining the prior approval of shareholders;
- implementation of a Whistle-blowing Guidelines Policy; and
- the adoption and regular review of a group-wide Code of Ethics and Corporate Code of Conduct.

Altron remains a signatory to the World Without Corruption, both, international initiatives to fight corruption. See Appendix A and B for more detail in this regard.

Altron is also satisfied that no donations have been made to any political parties during the past year, which is in accordance with Altron's memorandum of incorporation which states that all donations to political parties must be pre-approved by shareholders in a general meeting.

### Feedback and Goals

The following provides a summary of achievements and future commitments that are in place to combat and prevent corruption in all its forms, including extortion and bribery:

#### Achievements

- Ethics surveys continued during the year;
- Continued to promote and run our anonymous tip-off line "Tip-off Tim";
- All new employees receive ethics training as part of their induction and orientation;
- During the years Altron has issued the following policies and documents:
  - Accounting and Financial Policies
  - Anti-Corruption and Economic Crime Policy
  - Code of Conduct

- Code of Ethics
- Competition Law Policy
- Corporate Communications
- Corporate Compliance Policy
- Corporate Gifts and Entertainment Policy
- Data Protection Policy
- Declaration of Interest Policy
- Directors dealing in Securities Policy
- Disciplinary Code and Procedures
- Donations, Charitable Giving and Sponsorship Policy
- Environmental Management Policy
- Financial Assistance Policy
- Grievance Procedures
- Group Disclosure Policy
- HIV and AIDS Policy
- Human Resources and Employment Policy
- Human Rights - Labour Conditions
- Industrial Relations Policy
- IT Policy
- Records Management Policy
- Reportable Irregularities
- Safety Health and Environmental Policy
- Sexual Harassment policy
- Smoking Policy
- Succession Planning
- Travel and Expenses Policy
- Waste Management Policy
- Water Management Policy
- Whistle-blowing Guideline Policy

**Commitments**

Continue to uphold and implement the actions listed above;  
 Continue to roll out the ethics climate surveys to operations in the group;  
 Regular re-education on ethics occur via poster campaigns, 'Profile' articles and Alix;  
 Continue to monitor and implement changes to legislation around corruption, fraud and bribery;  
 Ensure all relevant policies, procedures and frameworks are reviewed and update if and when required;  
 Identify and monitor the risks associated with operations/suppliers/procurement agencies and/or associated Altron businesses that operate in countries that are considered to have high levels of corruption and bribery; and  
 Continue to roll out and promote Altron's policies around anti-corruption behaviour.  
 Develop policy on contributions to political parties

**GRI Indicators**  
**UN MGD**

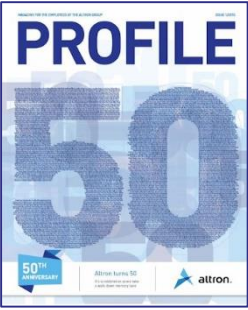
G4-56 - 59. G4-SO3, SO4, SO5, SO8,  
 Refer to Additional information demonstrating Altron's commitment to the UNGC's 10 Principles at the end of this report.

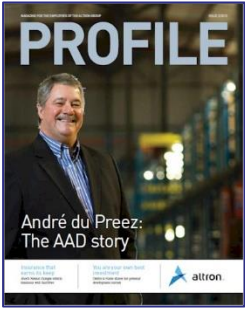

## Additional information demonstrating Altron's commitment to the UNGC's 10 Principles and contribution to the UN Millennium Development Goals

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In addition to the above actions and commitments, Altron continues to promote the various UNGC principals and MDGs through its internal publications including "Altron Profile", "Let's Talk TMT" and "PowerFlash". The articles listed below should not be seen as an exhaustive list of aspects promoting the UNGC Principles or MDG. Relevant articles were included in these publications for the year under review. For more details on each of the articles or other case studies also refer to:

- Altron – Altron Profile - <http://www.altronprofile.co.za/>
- Altron TMT – Let's Talk TMT - <http://www.altrontmt.com/news/lets-talk-tmt>
- Altron Integrated Annual Report for 2015 Case Studies - <http://www.altron.com/iar2015/case-studies.asp>
- Altron Integrated Annual Report GRI and Assurances table - <http://www.altron.com/iar2015/governance/gri.asp>

Source	Article	Description	UNGC Principals*	UN MDG*
 <p>Altron Profile, Issue 1/2015</p>	Standard Bank wins BDS Environmental Award	The Bytes Document Solutions Green Team initiated the XGS Environmental Award in 2011 to identify and reward best practices such as waste reduction and responsible paper use. Mukesh Singh, team leader within the Standard Bank Xerox Digital Printing Services division, accepted the award on behalf of his team at a ceremony that was held at the Standard Bank site in downtown Johannesburg. According to Eddy, BDS' Go Green drive wants to achieve two main aims in a fun and engaging way. "We want to make both our employees and our clients more aware of how to run an environmentally-friendly business and we want to help reduce the impact on our world by containing our carbon footprints."	Principle 7: Businesses should support a precautionary approach to environmental challenges Principle 8: Undertake initiatives to promote greater environmental responsibility	Goal 7: Ensure environmental sustainability
	PTSI claims its place in the sun	Questions of energy access and affordability claim a fair bit of business owners' mind space these days. A Powertech group company has launched a product that uses the sun to provide answers. The 60kW photovoltaic (PV) system on the roof of the Powertech System Integrators (PTSI) building is a modest start to what the company believes will be a money-spinning offering. "Our objective is to install an aggregate of 150MW of PV capacity over the next five years," says Kobus Morgan, head of PTSI's Strategic Projects team. "That should deliver around R2,7 billion in turnover. "This estimate sounds entirely possible, given that even before the PTSI offering was launched, 30MW worth of potential clients had already been lined up. Based on the realities of project decision-making cycles and procurement timelines, Kobus reckons that installing systems with a combined capacity of 5MW is an achievable goal for 2015.	Principle 7: Businesses should support a precautionary approach to environmental challenges Principle 8: Undertake initiatives to promote greater environmental responsibility	Goal 7: Ensure environmental sustainability Goal 8: Develop a global partnership for development
	Where managers become excellent	Senior management skills are in short supply in South Africa. The Bill Venter Academy is producing top class graduates like Pieter Nel to help fill this gap. According to Pieter, the programme is a brilliant experiential platform for managers to understand their role in bringing about strategic change and innovation in the business. "The course format promotes critical thinking and engagement – skills we all need when faced with tactical decision-making situations."	Principle 6: The elimination of discrimination in respect of employment and occupation	Goal 2: Achieve universal primary education Goal 3: Promote gender equality and empower women
	Altech ISIS pays it forward	Imagine spending your performance bonus on helping complete strangers. That's exactly what some Altron employees did. Towards the end of last year, a group of concerned Altech ISIS employees decided to spend their hard-earned performance bonuses to support a worthwhile, yet little known, charity in one of Cape Town's poverty-stricken communities. With the help of sponsors Master Fibre and Prominent Paints, employees collected tens of thousands of rands' worth of goods and building materials, and donated their time to rebuild a small home for abandoned and orphaned children.	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	Goal 1: Eradicate extreme poverty and hunger Goal 4: Reduce child mortality
	Full marks for Altech Multimedia's matrics	Thanks to the right support at the right time, a girl from Tongaat is starting her degree in actuarial science at Wits this year – with a full bursary. And hers is not the only success story. The Altech Multimedia-sponsored resource and IT centre in Tongaat, in northern KwaZulu-Natal, has for many years boasted excellent results but its students' 100% pass rate in the 2014 matric exams is the best by far.	Principle 6: The elimination of discrimination in respect of employment and occupation	Goal 2: Achieve universal primary education Goal 3: Promote gender equality and empower women


 <p>Altron Profile, Issue 2/2015</p>	<p><b>You are your own best investment</b></p>	<p>Deidre le Hanie, MD of Bytes Managed Solutions, believes in the power of personal development. She shared her story at the Bill Venter Academy's 2015 graduation event. In June last year, Deidre spent a month at INSEAD Business School in France. "I felt that it was time to invest in myself again," she says of her plan to take a sabbatical and go and study. Her intention was to pay her own way. "Altron has given me the perfect environment to do what I thought was the right thing to do. We need to appreciate the empowerment and support we have here."</p>	<p>Principle 6: The elimination of discrimination in respect of employment and occupation</p>	<p>Goal 2: Achieve universal primary education Goal 3: Promote gender equality and empower women</p>
	<p><b>Printing trees</b></p>	<p>Printing destroys forests. That's the bad news we are all familiar with. The good news is that with the right partner, offices can become treeprinting machines. It is estimated that over the last 100 years, roughly five billion acres of land have been deforested or degraded. Tree harvesting for paper manufacturing is one of the main culprits. Those who make and use paper and printers have long been looking for ways to reverse, or at least soften, the impact of paper on the planet's trees. PrintReleaf, a company with whom Bytes Document Solutions (BDS) recently entered into a partnership, seems to have a viable solution.</p>	<p>Principle 7: Businesses should support a precautionary approach to environmental challenges Principle 8: Undertake initiatives to promote greater environmental responsibility Principle 9: encourage the development and diffusion of environmentally friendly technologies</p>	<p>Goal 7: Ensure environmental sustainability Goal 8: Develop a global partnership for development</p>
	<p><b>Why waste if you can create?</b></p>	<p>The Altron-wide Waste to Art competition drew around 30 entries from across the group and rubbished the idea that trash was good for nothing. Jeanne van Heerden, Altron's internal environmental auditor, says that the Altron Sustainability Department came up with the competition to create awareness around the new Altron Waste Management Policy and Strategy that was launched earlier this year.</p>	<p>Principle 7: Businesses should support a precautionary approach to environmental challenges Principle 8: Undertake initiatives to promote greater environmental responsibility</p>	<p>Goal 7: Ensure environmental sustainability</p>
 <p>Altron TMT, Let's Talk TMT Issue 04, Jul-Sep, 2014</p>	<p><b>Bytes People Solutions and HP deliver ICT training for KZN learners</b></p>	<p>A total of 25 rural KwaZulu-Natal students – all of them recent school leavers – have been honoured by Bytes People Solutions for completing NQF Level 4 learnerships in ICT technical support. The learners received their certificates at a closing ceremony held at the Durban Country Club in July. The event was attended by various stakeholders including customers and representatives of MICT SETA. The programme is the result of a partnership between Bytes People Solutions and HP. HP Business Institute, an enterprise development initiative driven primarily through skills development, approached Bytes People Solutions to run a 12-month learnership programme, known as HPBI Techie 101, in rural KwaZulu-Natal.</p>	<p>Principle 6: The elimination of discrimination in respect of employment and occupation</p>	<p>Goal 2: Achieve universal primary education Goal 3: Promote gender equality and empower women</p>
	<p><b>When science makes sense</b></p>	<p>Understanding can unlock passion and change the course of a person's life – as is being proven by the impact that the Altech-sponsored mobile science labs are making. "Without a science laboratory at our school, the learners had to learn the hard way. The Altech TRAC laboratory is a relief – learners can now do hands-on practicals, which make the theory a reality." These words of a teacher are testimony to the difference the Altech TRAC laboratories are making in the areas where they have been deployed. With Altech's financial support, TRAC has been operating two mobile physical science laboratories since 2010. The laboratories are used in classroom interventions in Mount Edgecombe in KwaZulu-Natal and Tembisa in Gauteng. Based on the successes achieved with the two mobile labs, Altech acquired a third mobile laboratory which is in its second year of operation in Vosloorus on the East Rand in Gauteng. Not only do they make science understandable and enjoyable, but the laboratories also encourage learners to choose careers in the science, engineering and technology (SET) fields.</p>	<p>Principle 6: The elimination of discrimination in respect of employment and occupation</p>	<p>Goal 2: Achieve universal primary education Goal 3: Promote gender equality and empower women</p>
	<p><b>Empowerment is a song everybody can hear</b></p>	<p>The data capturing project that Altech Radio Holdings (ARH) manages on behalf of the Ekurhuleni Metro Police Department (EMPD) is pretty standard fare in terms of the work that gets done. What makes it remarkable is the team working on it: 10 of the 30 data capturers are deaf. Paula Miller, HR Manager at ARH, says that the plan to employ deaf people started five years ago when Altech Alcom Matomo, one of the companies in the ARH stable, appointed eDeaf as its enterprise development partner. eDeaf is a company that empowers and employs deaf people. "Nothing really came of the relationship then, but eDeaf remained on our radar," says Paula.</p>	<p>Principle 6: The elimination of discrimination in respect of employment and occupation</p>	<p>Goal 3: Promote gender equality and empower women</p>

	<p><b>Driven to make a difference</b></p>	<p>The road less travelled brought Pat Kapalata to Altech Netstar's door in April this year. Her unique blend of skills, experience and approach to people is shaking up the business – and bringing in the contracts. In 1992 a young woman had to decide between two job offers. She phoned her brother for advice. "Do you want a job or a career?" he asked. She chose the career, even though it meant accepting the position with the lower salary. So started Pat Kapalata's love affair with fleet management, and a career built on never taking the easy or the obvious option. Accepting the position as General Manager: Government and Public Enterprises at Altech Netstar continued this pattern. True to form, however, Pat soon realised how her fleet management experience could fill the gaps in Altech Netstar's customer approach.</p>	<p>Principle 6: The elimination of discrimination in respect of employment and occupation</p>	<p>Goal 3: Promote gender equality and empower women</p>
	<p><b>Women empowerment kudos for Altech Autopage</b></p>	<p>Altech Autopage was a finalist in the ICT category of this year's Top Women Awards, held at Emperors Palace, Johannesburg, on 14 August. The awards recognise gender empowerment and women's roles in the private and public sectors. To enter the competition, at least 30% of employees at all levels of the organisation have to be women and at least 10% in senior management. Altech Autopage exceeded the minimum requirement with women accounting for 53% of the entire staff complement and for three out of seven of the executive committee members. Additionally, almost 33% of the first level management, namely general and senior managers, are women.</p>	<p>Principle 6: The elimination of discrimination in respect of employment and occupation</p>	<p>Goal 3: Promote gender equality and empower women</p>
	<p><b>Oliver's House opens eyes and hearts at ACS</b></p>	<p>Oliver's House is a non-profit organisation operating from Benoni on the Gauteng East Rand. What started as a soup kitchen in the Benoni CBD in 2001, is now an organisation that runs five projects from three different locations. Oliver's House is also one of the charities supported by Altech Card Solutions (ACS). A recent visit to Benoni opened a few ACS team members' eyes to the amazing work being done at Oliver's House – and to how much ordinary people have to be grateful for. The visit started at the education centre. The group was met by Terrance Ferreira, CEO, and Fatima Shalang, public relations officer, of Oliver's House, and shown around the facility that provides maths, science and computer training to grade 11 and 12 learners.</p>		<p>Goal 1: Eradicate extreme poverty and hunger Goal 2: Achieve universal primary education Goal 4: Reduce child mortality</p>
	<p><b>How safe is your receipt?</b></p>	<p>Paper that makes people sick sounds like science fiction. It's not. According to the Cancer Association of South Africa (CANSAs), thermal paper – the kind on which ATM and other receipts are printed – contains Bisphenol A (BPA) and can be very dangerous to humans. A few years ago, BPA hit the headlines with its presence in baby bottles. A CANSAs fact sheet, however, states that ATM receipts can contain 250 to 1 000 times more BPA than is found in baby bottles. NOR Paper, a subsidiary of Bytes Document Solutions, was the first paper supplier in South Africa to import BPA-free paper from Germany. A few others have since followed suit. In 2012 Pick n Pay was the first merchant to buy the paper, followed by Nedbank a year later.</p>	<p>Principle 7: Businesses should support a precautionary approach to environmental challenges Principle 8: Undertake initiatives to promote greater environmental responsibility Principle 9: encourage the development and diffusion of environmentally friendly technologies</p>	<p>Goal 7: Ensure environmental sustainability Goal 8: Develop a global partnership for development</p>

	<p><b>Student of the Year Awards</b></p>	<p>The Bill Venter Academy hosted its top students for the annual Student of the Year Presentations and Awards event at the Altron TMT corporate offices in Woodmead on 18 November. Nine presentations, made up of seven individual presentations and two team presentations were delivered to a panel of Altron executives, managers and colleagues. The students presented on a post module assignment or project that they had submitted in 2014 as part of their respective courses. All presentations related to a facet of the Altron TMT business and students had to present an actual challenge that they had encountered in the business and, after thorough research, present a business solution to the problem. The students chosen to take part in the event were selected based on the marks attained for their particular post-module assignment. These students were nominated to present to a panel of judges consisting of Dr Madelise Grobler (Director of Studies: Bill Venter Academy/Managing Director: Bytes People Solutions), Dr Anton Verwey (Director: InavitiQ Consulting, and member of the Bill Venter Academy Board); Dr Willie Oosthuysen (Altron Group Executive: Strategy &amp; Technology), Mauritz Oberholzer (Executive Consultant: Bytes People Solutions) and Dr Pieter van der Walt (Altron Group Manager: Information Integration). Students were given 15 minutes to present their individual business challenges and after much deliberation, the judges finally made their decision. The Student of the Year Award was presented to Jesse Pillay from Altech Multimedia. Jesse's topic was on Integrated Logistics Management which focused on the "Application of lean thinking and operational excellence in the capital expenditure request process at Altech Multimedia International".</p>	<p>Principle 6: The elimination of discrimination in respect of employment and occupation</p>	<p>Goal 2: Achieve universal primary education Goal 3: Promote gender equality and empower women</p>
<p>Altron TMT, Let's Talk TMT Issue 05, Oct – Dec, 2014</p>	<p><b>The giving</b></p>	<p>The Altron TMT Golf Challenge, played in three cities around the country during October and November, was a successful social and business networking event. It also contributed thousands of Rand to three charities whose sole purpose in life is to alleviate suffering. Ubuntu House As one of the Apostolic Faith Mission's uMephi child and youth care centres, Ubuntu House provides temporary safe care for newborn babies. In most cases, the infants are abandoned, given up for adoption by their mothers, or rejected by their families because they are HIV positive. Ubuntu House is located in Goodwood, Cape Town, and opened its doors in September 2003. Since then, 513 babies have found refuge there. Of these, 92 babies could be reunited with their families, 235 were adopted by parents in South Africa and 144 were placed with parents in other countries.</p>	<p>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights</p>	<p>Goal 1: Eradicate extreme poverty and hunger Goal 4: Reduce child mortality</p>
	<p><b>Standard Bank - Xerox Global Site wins Bytes Document Solutions environmental award</b></p>	<p>Standard Bank's Xerox Global Site (XGS) won the Bytes Document Solutions (BDS) Environmental Award for 2014 after being voted the most environmentally friendly site. This new, innovative competition was initiated by the BDS Green Team in 2011 and has been a cornerstone of their sustainability drive. As part of a broader Go Green awareness campaign, the competition involves the majority of XGS print rooms in Johannesburg and Pretoria, and is the brainchild of Eddy Gordon, Manager for Digital Solutions and MEA Training at BDS. The ceremony to honour the award recipients took place on 21 November at the Standard Bank site in downtown Johannesburg. On hand to congratulate the awardwinning XGS team were Koos Ligtenberg, Strategic Planning Executive of BDS, and Altron representatives Jannette Horn and Dr Pieter van der Walt.</p>	<p>Principle 7: Businesses should support a precautionary approach to environmental challenges Principle 8: Undertake initiatives to promote greater environmental responsibility</p>	<p>Goal 7: Ensure environmental sustainability</p>
	<p><b>Altech Autopage plays Santa Claus</b></p>	<p>In an effort to spread the joy of the upcoming festive season, Altech Autopage asked its employees to fill stockings for the children of the Sunshine Preschool in Diepsloot. The project proved a hit. It took only one week for all the children to be "adopted" and for staff to start putting together the gift hampers. For every child there was a package filled with, among others, a colouring book, crayons, puzzles and a lunch box.</p>		<p>Goal 1: Eradicate extreme poverty and hunger Goal 2: Achieve universal primary education Goal 4: Reduce child mortality</p>

 <p>Altron TMT, Let's Talk TMT Issue 06, Jan - Mar, 2015</p>	<p><b>Altech Multimedia-sponsored students come up tops</b></p>	<p>Altech Multimedia, along with other donors, has helped a group of matric learners from economically disadvantaged areas in KwaZuluNatal achieve an impressive feat – a 100% pass rate. Altech Multimedia has for many years promoted education, particularly in the fields of Maths and Science, as part of the company's corporate social investment (CSI) focus. This provides learners with the opportunity to study for a technical qualification which is required by the ICT sector.</p>		<p>Goal 2: Achieve universal primary education Goal 3: Promote gender equality and empower women</p>
	<p><b>Altech Autopage casts a wider learnership net</b></p>	<p>Altech Autopage and Bytes People Solutions have joined forces to give unemployed young people, especially those living with disabilities, a better chance in life. According to Statistics South Africa, disabled people make up 7,5% of South Africa's population, totalling approximately three million individuals. Evidence and experience show that when barriers to inclusion are removed and persons with disabilities are empowered to participate fully in society, the entire community benefits.</p>		<p>Goal 2: Achieve universal primary education Goal 3: Promote gender equality and empower women</p>
	<p><b>ALTECH Autopage staff reach out to their own</b></p>	<p>For the second consecutive year, Altech Autopage ran its Anonymous Angels initiative in December 2014, giving individual employees and teams the chance to help colleagues in need. Using the Anonymous Angels online platform, staff members could anonymously submit wishes for themselves or for colleagues. These wishes could then be fulfilled by other Altech Autopage colleagues, either as individuals or as departments. The campaign ran from 24 November to 19 December. A total of 11 wishes were submitted, of which nine were granted through a collective and collaborative effort across teams and departments.</p>		<p>Goal 1: Eradicate extreme poverty and hunger</p>
 <p>Powertech Power Flash Summer 2014</p>	<p><b>An investment in skills</b></p>	<p>At the beginning of March this year, eleven learners were about halfway through their year-long learnership at Aberdare's GOC site. What makes this learnership special is that all the participants are people living with disabilities. Their training, which started at the beginning of September last year, is aligned with the National Qualification Framework (NQF). "The learners have integrated well in the business," says Michelle de Villiers, Aberdare's human capital development specialist, "and we are pleased with their progress." Maggie Letsoeny, a learner in Marketing, says that the learnership has exceeded her expectations and that the Aberdare employees have been most welcoming. "I am thoroughly enjoying learning about cables," says Lindiwe Makhubo, a learner in PD&amp;A. "I am now inspired to complete a technical qualification." Michelle explains that Aberdare implemented its disability-focused learnership to help people with disabilities make a positive difference in the workplace. "The learnership also creates a new pool of talent that will benefit companies and the economy as a whole in future."</p>	<p>Principle 6: The elimination of discrimination in respect of employment and occupation</p>	<p>Goal 2: Achieve universal primary education Goal 3: Promote gender equality and empower women</p>
	<p><b>Making hay while the sun shines and the wind blows</b></p>	<p>As wind turbines and solar panels become an increasingly familiar sight in South Africa, Powertech cashes in on the renewables action. Just over a year ago, Powertech companies first received orders for renewable energy (RE) projects. Powertech Transformers and Aberdare Cables broke the renewables ice and since then RE projects have added almost R350 million to the Powertech order book with contracts awarded to Powertech QuadPro, Aberdare Cables, Powertech Transformers and Powertech System Integrators (PTSI). South Africa's Renewable Energy Independent Power Producer Procurement Programme (REIPPPP) came into being during 2012 and the third round of bidding for projects</p>	<p>Principle 7: Businesses should support a precautionary approach to environmental challenges Principle 8: Undertake initiatives to promote greater environmental responsibility</p>	<p>Goal 7: Ensure environmental sustainability</p>
	<p><b>PDP? What is that?</b></p>	<p>The new PDP steering committee is on a mission to make this the one question everybody in Powertech knows the answer to. The Powertech Development Programme (PDP) was established in 2000 as the Powertech Leadership Process. Through the years the overall aim has remained the same but over the past two years the PDP lost momentum for a number of reasons. On 28 January this year, however, a new steering committee was elected and there is action in the air. "The SteerCo members are passionate about the PDP and committed to driving a fresh new approach that will take the PDP to a higher level," says Nivashnee Ramparsad, newly elected PDP chairperson.</p>	<p>Principle 6: The elimination of discrimination in respect of employment and occupation</p>	<p>Goal 2: Achieve universal primary education Goal 3: Promote gender equality and empower women</p>



 <p>Power Flash Autumn 2014</p>	<p><b>Governance in the career spotlight</b></p>	<p>During the first quarter of 2014, Powertech Secretariat and Chartered Secretaries Southern Africa joined forces to make high school students aware of company secretary as a career choice. The two organisations attended high school career days to introduce scholars to the Chartered Institute of Secretaries (CIS) qualification and to provide them with a glimpse of what it means to be a company secretarial in practice. One such day took place on 12 March at Crawford College in Sandton. In attendance were Powertech's company secretary, Elizabeth Defillo, and assistant company secretary, Marina Schuster, representing Powertech and Chartered Secretaries Southern Africa. Both Elizabeth and Marina drew on their extensive company secretarial expertise to give scholars a thorough overview of what a company secretary does and how these duties apply to their day-to-day responsibilities at Powertech. "The word soon got around that Powertech was an electrical engineering company," says Elizabeth. "No sooner had we finished explaining the CIS qualification and role of a chartered secretary, than we found ourselves encouraging prospective engineering students to consider working for Powertech one day. The afternoon proved to us that the collaboration between Chartered Secretaries Southern Africa and Powertech left a positive impression in the minds of our children in terms of the aforesaid career options."</p>	<p>Principle 6: The elimination of discrimination in respect of employment and occupation</p>	<p>Goal 2: Achieve universal primary education Goal 3: Promote gender equality and empower women</p>	
	<p><b>In the pink with Willard Batteries</b></p>	<p>Willard Batteries' latest trendsetting campaign is a limited edition Pink Battery range. These eye-catching batteries, which are entirely pink, are available for sale at selected retail outlets and a portion of the proceeds will be donated to breast cancer community carer, PinkDrive. PinkDrive powers South Africa's first mobile mammography unit, as well as the PinkDrive Educational Unit, driving home the message that "early detection saves lives". Powertech employees, customers and the general public are invited to take part in this initiative by taking a "selfie" of them with their new Pink Willard Battery and uploading it to Willard Batteries' Facebook page. By doing so they stand a chance of winning one of a number of pink mobile phones.</p>			<p>Goal 4: Reduce child mortality Goal 5: Improve maternal health Goal 6: Combat HIV/AIDS, malaria and other diseases</p>
	<p><b>Healthy Aberdarians, happy Aberdarians</b></p>	<p>Aberdare PMB was one of the first factories in South Africa to establish an on-site clinic. Today the company has a clinic at each of its three factories, continuing the proud tradition of looking after employees' health and wellness.</p>			<p>Goal 4: Reduce child mortality Goal 5: Improve maternal health Goal 6: Combat HIV/AIDS, malaria and other diseases</p>
 <p>Power Flash Spring 2014</p>	<p><b>We salute our stars</b></p>	<p>The Altron Annual Awards is the group's opportunity to formally pay tribute to its best performers. Congratulations to all the Powertech winners who did our group proud.</p> <p>In the Altron group awards, Aberdare Cables won the environmental category for being the "most environmentally friendly company in the group". It is a title not lightly bestowed but one that Aberdare certainly deserves, considering that its energy and water saving initiatives and waste recycling efforts have resulted in an estimated saving of R26 million for the last financial year. Powertech System Integrators (PTSI) was also nominated in the Group Environmental Awards category for developing and successfully implementing environmentally friendly products and services for some of Altron's major customers. As a result, these customers saved time and money through reduced electricity use and improved operational efficiency. An example of PTSI's innovations is the enterprise digital assistant device that has helped Eskom's technicians to be more efficient and, by travelling smarter, reduce travel costs and the organisation's carbon footprint.</p>	<p>Principle 7: Businesses should support a precautionary approach to environmental challenges Principle 8: Undertake initiatives to promote greater environmental responsibility</p>	<p>Goal 7: Ensure environmental sustainability</p>	
	<p><b>All they need is a little help</b></p>	<p>Powertech companies are currently helping a handful of remarkable young people on the road to professional development. Their stories show how success follows in the footsteps of goals, hard work and courage. A year ago, Avuyile Qaba was an engineering student in need of practical training to complete her qualification. Today the 23-year-old is a Powertech QuadPro bursar, well on her way to becoming an electrical engineer. What makes her story remarkable is that Avuyile created her own opportunity. In 2013, she walked onto one of QuadPro's construction sites in Mthata and asked the site manager, Elais Kodi, if she could do her practical training at his site. At the time, she was enrolled at the KSD FET College, busy with a diploma in electrical engineering.</p>		<p>Principle 6: The elimination of discrimination in respect of employment and occupation</p>	<p>Goal 2: Achieve universal primary education Goal 3: Promote gender equality and empower women</p>
	<p><b>Tomorrow's planet starts today</b></p>	<p>A group of Powertech employees marked environmental awareness week with a visit to Primrose Primary School in Germiston on 25 June. Dave Coutts and Johnson Mbodla, from the Safety and Risk Department, Maggie Letsoenyo, a Marketing trainee, and Busisiwe Sengoayao, a Human Capital learner – all from Aberdare Cables – chatted to 160 grade 3 and 4 pupils about environmental sustainability and how Aberdare Cables contributes to it by, for instance, recycling waste into new products and sending its used oil to chemical treatment plants instead of landfill sites.</p>		<p>Principle 7: Businesses should support a precautionary approach to environmental challenges Principle 8: Undertake initiatives to promote greater environmental responsibility</p>	<p>Goal 7: Ensure environmental sustainability</p>

	<p>Let me try</p>	<p>These three words are the mantra of a most remarkable organisation on Gauteng's East Rand. Powertech recently donated R100 000 towards their mission, which is to help people to help themselves. Germiston on the East Rand counts an incredible 162 informal settlements within its borders. Realising that within all this hardship there was also unlimited potential, inspired Nina Venjakob to found a skills development centre she called Out of the Box (OTB). At OTB, people can learn how to sew, knit, cook, make shoes and lampshades, and repair appliances and computers. There are classes in woodwork, screen printing, welding and basic computer skills. The courses are such that once they have acquired the required skill and competencies the students can become teachers themselves or open their own businesses – supporting their own families while creating employment for others.</p>	<p>Goal 1: Eradicate extreme poverty and hunger Goal 4: Reduce child mortality</p>
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<p><b>UNGC Principles</b></p>		<p><b>UN Millennium Development Goals</b></p>	
<p>Human Rights</p>	<p>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and</p> <p>Principle 2: make sure that they are not complicit in human rights abuses.</p>	<p>Goal 1</p> <p>Goal 2</p>	<p>Eradicate extreme poverty and hunger</p> <p>Achieve universal primary education</p>
<p>Labour</p>	<p>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p> <p>Principle 4: the elimination of all forms of forced and compulsory labour;</p> <p>Principle 5: the effective abolition of child labour; and</p> <p>Principle 6: the elimination of discrimination in respect of employment and occupation.</p>	<p>Goal 3</p> <p>Goal 4</p> <p>Goal 5</p>	<p>Promote gender equality and empower women</p> <p>Reduce child mortality</p> <p>Improve maternal health</p>
<p>Environment</p>	<p>Principle 7: Businesses should support a precautionary approach to environmental challenges;</p> <p>Principle 8: undertake initiatives to promote greater environmental responsibility; and</p> <p>Principle 9: encourage the development and diffusion of environmentally friendly technologies.</p>	<p>Goal 6</p> <p>Goal 7</p>	<p>Combat HIV/AIDS, malaria and other diseases</p> <p>Ensure environmental sustainability</p>
<p>Anti-Corruption</p>	<p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<p>Goal 8</p>	<p>Develop a global partnership for development</p>

# Annexure A - Call to Action: Anti-Corruption and the Global Development Agenda

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14 July 2014

Mr. Georg Kell  
Executive Director  
United Nations Global Compact  
New York, NY  
USA

Dear Mr. Kell

I am pleased to confirm that **Allied Electronics Corporation Limited (Altron)** supports the *Call to Action: Anti-Corruption and the Global Development Agenda* – an appeal by the private sector urging Governments to promote efficient and effective anti-corruption measures and to implement robust policies that will foster good governance.

With this communication, we commit to work against corruption in all its forms, including extortion and bribery, as advanced by the UN Global Compact's Tenth Principle – "*Businesses should work against corruption in all its forms, including extortion and bribery*".

By signing the *Call to Action*, we ask Governments to:

1. Fully implement and enforce the tenets of the UN Convention against Corruption by strengthening anti-corruption policies, laws and enforcement mechanisms to create a level playing field and incentivize good behaviour;
2. Make a commitment to reduce corruption risks from procurement and contract processes of large-scale projects that are designed to support sustainable development;
3. Commit to engaging in competitive and transparent procurement processes through public advertising of all Government procurement cases;
4. Achieve greater transparency in relation to revenues received by Governments from private sector companies; and
5. Support corporate efforts to enhance anti-corruption implementation, corporate governance, innovative collective action, and public-private partnership initiatives.

Sincerely yours,

A handwritten signature in black ink, appearing to read "R. Venter", written over a white background.

**ROBERT E. VENTER**  
Chief Executive

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## Annexure B - World Without Corruption - Call to Action: Anti-Corruption and the Global Development Agenda

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Dear Mr. Golubev

Allied Electronics Corporation Limited, South Africa, having recognized the importance of joining efforts to advance World Without Corruption on a global level as a necessary condition to promote the United Nations Global Compact's universal principles on human rights, labour, environment and to achieve broader goals of the UN and, first of all, Millennium Development Goals, is making a statement to join and support the World Without Corruption Programme promoting participation in advancing the United Nations Convention against Corruption in 2011-2020 (for civil society and private sector).

Allied Electronics Corporation Limited, pronounces its interest to advance World Without Corruption programme (in particular, by way of individual and/or joint development and implementation of projects) and to offer the necessary assistance, including on the international level.

Sincerely yours,

**ROBERT E. VENTER**  
Chief Executive