



THE Bidvest GROUP LIMITED

Horeca Trade, United Arab Emirates

Horeca Trade is a service distribution company dedicated to the foodservice needs of the United Arab Emirates. We offer front- and back-of-house brands and products and aim to offer the right product at the right price with the best possible service.

Stakeholder engagement

Regulatory authorities

Horeca continually engages in meetings and seminars organised by the regulatory authorities within the emirates. After a mandatory 'person in charge' programme was launched by Dubai Municipality Food Control Authority to ensure food safety, our quality assurance executive gained approval from the Dubai Accreditation Centre to train the persons in charge in the emirates.

In June, Horeca participated in a meeting on 'Stakeholder Consultation for Agri-Food Safety Draft Policy for the Emirate of Abu Dhabi'. We are also a member of the Dubai Food Safety Group initiated by the Dubai Municipality Food Control Authority.

Customers

Overall scores for 'good' and 'very good' in an annual customer satisfaction survey improved from 78% to 80%. A follow-up visit to all customers who rated us 'poor' and 'very poor' led to an action plan to improve our services, helping us raise satisfaction scores.

Horeca offers beverage service training to hotel staff, mainly waiters. In 2011, our sales team provided 165 beverage service training interventions, reaching a total of more than 4 950 hotel staff. We sponsor and support staff parties for our customers on request.

In January, 2011, Horeca became the first food service company in the emirates to introduce a customer loyalty programme. Customers collect loyalty points each time they buy from us and redeem gifts for points. In the first six months, 46 customers enrolled, receiving 13 404 reward points worth AED13 404.

Suppliers

A supplier feedback survey was initiated to improve our understanding of our suppliers' needs. The survey is open to all our suppliers.

Labour practices and decent work

Employee engagement

We run an employee satisfaction survey every year in which employees can anonymously rate their satisfaction with the company. Overall satisfaction, measured by scores for 'satisfied' and 'very satisfied', increased from 62% to 81%. Of our 94 employees, 96% participated.

As employee turnover in the food service sector is high, we closely monitor our attrition rate and conduct exit interviews. The attrition rate fell from 21% to 18%.

An internal project was undertaken to improve the standard of accommodation for warehouse and logistics staff based on the Workers' Accommodation Processes and Standards published by the International Finance Corporation. The project initially identified 91 parameters required to create pleasant accommodation for workers. Out of the 59 shortfalls that we identified, 25 were addressed to the satisfaction of staff. We are working on the remainder.

Employees receive a basic salary, allowances and a performance incentive. Employees are informed well in advance of their role's key performance indicators and provided with tools to achieve their targets.

A total of AED 300 000 is allocated towards medical insurance for employees. This is in addition to a mandatory workman's compensation programme. Employee salary benefits were increased by 13,5% in 2011.

We are certified to OHSAS 18001: 2007 standards. We provide continual training and run awareness sessions to assist warehouse and logistics staff with safe lifting and driving. There were no fatalities in our operations while the injury rate halved in 2011.

Economic performance

Chapter 6 of UAE federal law deals with remuneration of employees within the emirates without stating a minimum wage. We offer an entry level salary of AED17 250 a year and staff accommodation to our delivery assistants. Their minimum pay with a previous employer was AED6 000 -10 000.

Article 32 of UAE Labour Law (Federal Law number 8) prohibits gender discrimination in wages for equivalent work. We offer the same pay package to employees irrespective of gender.

We partner with more than 30 local suppliers. Local products accounted for AED1 660 566 in sales in 2011.

Human rights

A complete draft of human resource procedures and policies was prepared to remove ambiguity and improve transparency.

Female employee representation in the organisation rose from 17% to 19% in 2011.

In 2012, we have allocated a budget for the recruitment of a new regional human resource manager with the task of studying and implementing international best practices in employee welfare and development.

Business ethics

Bidvest's risk advisory division is working with the companies in this region to understand the business culture and potential areas of risk relating to ethical business conduct.

Product Responsibility

In line with our commitment to quality and product responsibility, we are certified to the international standards of HACCP and ISO 9001: 2008.

We adhere to the labelling guidelines in the Food Import and Export procedure published by Dubai Municipality Food Control. An employee has the responsibility of ensuring the labels of our own and imported brands meet regulatory requirements and contain no misleading information, inaccurate ingredients lists, misleading nutrition notes or altered expiration dates.

Community: corporate social investment

In August 2010, we supported the **Child Foundation Dubai** by providing food worth AED5 000 to under-privileged families in Dubai and Sharjah.

In September 2010, we signed a memorandum of understanding with **Dubai Autism Centre**, a non-profit organisation that assists children with autism. We pledged our support through voluntary fundraising, awareness campaigns and other initiatives. By year-end, we had provided the centre with premium drinking water worth AED1 200 and had donated AED3 000.

In May 2011, we became members of **ENGAGE Dubai**, a community service programme initiated by Dubai Chamber of Commerce. Company representatives participated in sustainability seminars and awareness sessions to improve Horeca's internal awareness of corporate social responsibility.

Environmental performance

A business case for ISO14000 certification was recently prepared and approved. Our quality assurance executive will take the project forward in 2012.

Al Diyafa, Kingdom of Saudi Arabia

Al Diyafa was brought under the Bidvest umbrella in March 2009. The business had nine employees at that stage.

Stakeholder engagement

Regulatory authority

Royal Decree M/51 is a strict labour law in force in the Kingdom of Saudi Arabia. Al Diyafa adheres rigorously to the law. No fines or penalties were incurred.

Employees

In addition to a competitive basic salary, employees receive performance-linked incentives, commissions, medical insurance, accommodation and air tickets for annual leave. Employee salaries and benefits rose 15% in 2011. Al Diyafa spent SR13 988 on employee training.

In compliance with the kingdom's regulatory requirements, Al Diyafa does not employ female staff. Four employees left in 2011. The company currently has 15 employees.

Recruitment of a regional human resource manager is planned in 2012. This manager will be placed at Horeca and will prepare a programme to improve employee retention at Al Diyafa, KSA and Horeca.

No work-related injuries or fatalities have occurred to date.

Customers

The Al Diyafa team provides free training to customers and hotel staff on beverage and food service.

Recorded customer complaints dropped to six from 10. On average, complaints are dealt with and problems resolved within five working days.

Prior to sale, all products are checked for compliance with labelling requirements. Arabic and English labelling is mandatory. An ingredients list and production and expiry dates must be included for food products. We adhere scrupulously to labelling requirements.