



SAFAL

NEWS

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MAKING A WORLD OF DIFFERENCE



2013

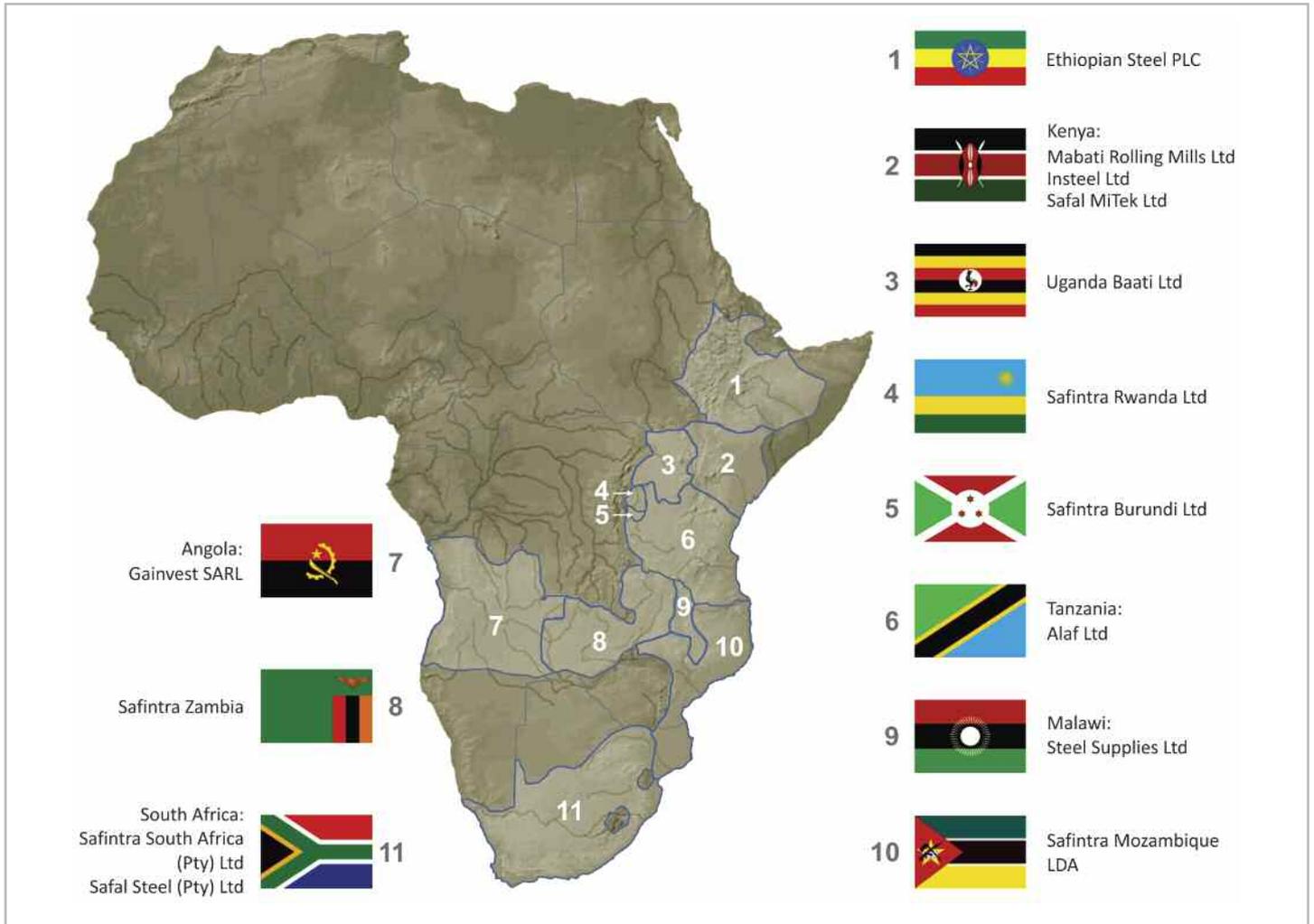
A YEAR IN REVIEW



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The Safal Group at a glance



The largest steel roofing company in Africa

The Safal Group is founded on the production and marketing of steel roofing in Eastern and Southern Africa. The combined outputs of 36 operations in 11 countries in Africa make it the continent's largest steel roof sheeting producer.

Brands that are known and trusted by millions

The Safal Group owns many of Africa's most loved and trusted steel roofing brands. This translates into value creation and market

share, which is a cornerstone of the Group's long term strategy.

Innovation brings world class products to Africa

The Safal Group has brought the world's most advanced metal coating technology to Africa.

To retain its market advantage, the Safal Group is reverse integrated, owning four steel-coating mills which are strategically situated in Kenya, Tanzania, Uganda and South Africa, to provide its roofing operations with world-class input coil.

2013: The year in review

Continuing growth and rising prosperity in most countries on the African continent was the catalyst for the Safal Group to grow its presence by opening new branches and service centres.

New branches and service centres have been opened in Beira (Mozambique), Mbeya (Tanzania), Thika (Kenya), Bujumbura (Burundi) and Awasa (Ethiopia). The Group strives always to get closer to its customers, providing easily sourced products and services as close to the market as possible. The new service centres are already showing pleasing results.

Twenty-thirteen also saw the introduction of innovative new products to complement its existing roofing product range. And with the growth in regional trade, there has been further alignment of Group brands, ensuring that products are consistently manufactured and marketed across all territories.

A significant achievement was the signing of Kenyan-born sporting icon David Rudisha, the 2012 Olympic record holder for 10,000 metres, as the Safal Group brand ambassador. He endorses our values and goals and reinforces our image as champions in our own field.

In 2014, we will continue to offer our customers superior products, trusted brands, and technical support services that make our products the preferred choice for both consumers and professionals.

Sarit Shah
Executive Director, Safal Group.



Sarit Shah, Executive Director, Safal Group.

A significant achievement was the signing of Kenyan-born sporting icon David Rudisha as the Safal Group brand ambassador.

A lifetime achievement award for Dr. Manu Chandaria

“If you can’t give what you have – experience, knowledge, philosophy – I don’t know what else you can give” Dr. Manu Chandaria



Dr. Chandaria is the founder of the Chandaria Foundation, a charitable group which does extensive work in both education and health.

Dr. Manu Chandaria, OBE, founding Chairman and Chairman Emeritus of the Safal Group, was recently honoured with a lifetime achievement award from the African Leadership Network (ALN).

This accolade follows a string of other awards for Kenyan-based Dr. Chandaria, who is acknowledged as one of the most accomplished industrialists and entrepreneurs in East Africa.

In 2003, he was awarded the Order of the British Empire (OBE) by Queen Elizabeth II, and in December of the same year he was awarded the Elder of the Burning Spear by former Kenyan President, Mwai Kibaki – one of the highest civilian honours in Kenya.

Outstanding African entrepreneurs

The ‘Africa Awards for Entrepreneurship’ (AAE) are awarded by ALN, a pan-African network of entrepreneurs. Its awards are recognised as the most distinguished Africa-focused programme of its kind, endowing over US\$200,000 in prize money to outstanding African entrepreneurs who demonstrate business excellence and social impact.

The 2013 ‘Africa Awards for Entrepreneurship’ Gala Awards ceremony was held as part of the ALN annual gathering, which took place at the Le St. Geran Resort in Mauritius.

New generation leaders

Three hundred of Africa’s most dynamic ‘new generation’ leaders gathered for stimulating discussions about innovative ways to create prosperity for Africa. Last year’s lifetime achievement award went to South African-based Dr. Richard Maponya, an iconic African entrepreneur.

Dr. Chandaria, who was one of 12 of Africa’s top entrepreneurs honoured, was interviewed on stage by well-known BBC anchor Komla Dumor, who presents ‘Focus on Africa’. Dr. Chandaria, who said he was “honoured and humbled” by the award, built his industrial empire from his parents’ modest general trading business in Kenya in the 1950s.

Speaking about the event he said: “It was very well organised with representatives from as many as 34 countries. These were young people from all spheres of business who want to re-write the history of Africa. It was a bundle of energy, with excellent networking opportunities, and



wonderful addresses and discussions.”

A host of dignitaries and celebrities attended the award ceremony including Xavier-Luc Duval, First Vice-Prime Minister of Mauritius and Hanna Tetteh, Ghana’s Minister of Foreign Affairs and Regional Integration.

Entertainers included Don Jazzy (who was the key performer), founder and CEO of Mavin Records who was named the second most bankable artist in Africa by *Forbes* magazine.

Well-known philanthropist

Apart from his business ventures, Dr. Chandaria is well known for his philanthropic work. He is the benefactor of numerous schools and clinics in Kenya and is the founder of the Chandaria Foundation, a charitable group which does extensive work in both education and health.

More about African Leadership Network (ALN)

African Leadership Network (ALN) is an elite group of dynamic and influential leaders in Africa whose work ultimately affects and changes ordinary African lives.

The organisation’s aim is to create prosperity in Africa by celebrating and encouraging entrepreneurship and strengthening relationships between leaders in Africa to boost intra-African trade, investment, partnerships and collaboration.

ALN measures its success by how many jobs its members create, how much investment is attracted into and across Africa as a result of its members’ collaboration, how much innovation and creativity is unleashed as a result of its members’ partnerships, and how many ordinary African lives are changed as a result of members working together.

The ALN was co-founded in 2010 by Acha Leke (Director and Head of McKinsey & Company in Nigeria) and Fred Swaniker (founder and CEO of the African Leadership Academy in South Africa).

Pictured receiving his award from the African Leadership Network, Dr. Chandaria with Mrs. Chandaria (far right).

The Champion introduces the Champion Creator

SAFAL Group and Mabati Rolling Mills



David Rudisha
800m World
Record Holder

The spotlight trains itself on champions; while those who create them, often stay in the shadows. For example, we all know DUMUZAS, Galsheet Resincot and Versatile – the high-quality roofing champions. But how many of us know that it is the 50-year strong Mabati Rolling Mills that makes them? Mabati Rolling Mills, in turn, is part of the SAFAL Group, – a conglomerate that has 36 operations spread across the African continent. It's time to get to know the champions...behind the champions.



MRM
Mabati Rolling Mills Ltd

The Roofing Solutions Company



Mabati Rolling Mills is a proud member of the Safal Group.



Making a World of Difference

A world champion flies the flag for the Safal Group

Pairing with champions: Kenyan Olympic 800m gold medallist David Rudisha is now the flag bearer for the Safal brand and stars in a media campaign that publicises and creates awareness of the company and its products.



Image: David Rudisha, Facebook.

The campaign message is that the 'champion behind the champion' is the high-quality coated steel used by Mabati Rolling Mills to make their roof sheeting.

Brand Manager Cedric Alaro says the campaign reinforces the position of Mabati Rolling Mills as part of a global group, which is a leader in the industry, driven by quality and, of course, always giving something back to those who contribute to its success.

David Rudisha – the champion behind the champion.

2013 Safal Group Marketing Conference hosted by Uganda Baati

The 2013 Safal Group marketing conference provided delegates with an opportunity to exchange creative ideas and marketing information.



The conference, held from 27 to 28 April, was hosted by Uganda Baati and was well attended by representatives from 10 of the 11 countries in which the Group operates.

Business Head Suraj Malhotra and his team did a magnificent job of ensuring that all logistical details were smoothly and efficiently attended to.



Focus on new product development

Sarit Shah, Safal Group Executive Director, chaired the business sessions which covered a wide range of marketing matters, including the preparation of marketing plans and a review of group products with a focus on new product development.

The Group Marketing Portal was launched and service centre case studies were presented by four countries. Further, such centres will be rolled out to the remaining Group countries in the near future.

Delegates described the conference as very informative and highly productive.

Safal Group Management Conference ends 2013 on a high note

Some of Africa's most experienced minds in the steel industry gathered for the annual Safal Group Management Conference in Dar es Salaam, Tanzania, from 9th to 11th October 2013.



Executives and directors from all the companies in the Safal Group met to discuss strategy, review the past year and to exchange operational best practices.

A key focus area of 2013 was ways in which the Group can deepen its interaction with its customers and end-users.

The conference heard of progress made on Group ERP systems, a key business enabler. Delegates were also told of the positive moves in the area of human resources namely learning, training and development as well as management development programmes.

Executives and Directors from the Group exchanged operational best practices, reviewed the past year and focussed on product and business innovation that will keep the Safal Group the leader in its field.

African economies are attracting huge inward investment

- Telecom companies in Africa have added 320-million subscribers since 2000. This is more than the entire U.S. population.
- Strong economic growth and substantial Foreign Direct Investment (FDI) into Africa over the past two decades has resulted in the emergence of a sizeable middle-class which is driving growth in consumption expenditure.
- The middle-class is widely acknowledged to be crucial to the continent's economic and political development. Recent estimates size this group at approximately 400 to 500 million people, equal to that of India or China.

Ethiopian Steel gets closer to its customers

Interview with George Arodi, Business Head of Ethiopian Steel PLC (ESPLC).



Q: How did you conceive of the service centre concept?

A: In a big and geographically expansive market with a poorly structured distribution network, we had to devise ways of having a presence in areas beyond our immediate market of Addis Ababa. In Ethiopia, the service centre concept is a panacea for these distribution challenges, giving us wider market penetration.

Q: You have opened two service centres within two years. How have you managed to achieve so much in such a short space of time?

A: Once we make a decision, we act on it. And we start our service centres with lean investments – we started Gondar Service Centre without investing in new equipment.

Q: ESPLC showrooms are doing well. What are the reasons behind the success?

A: Success hinges on the level of customer service, and lead times of orders are also important. We ensure that our showroom staff has good product knowledge. We have also added other services such as providing roof plans using AutoCAD for accuracy.

Q: What do you consider to be your major achievement at ESPLC during your two years in charge?

A: The volume of value-added business has grown tremendously in the last two years. And the company has been on track with expansion programmes – the commissioning of Gondar Service Centre was done in record time. The monthly average sales registered from the showrooms has hit US\$330,000, which is very encouraging. We have also overcome logistics challenges in the economy.

Q: How do you see the Ethiopian economy in the coming few years?

A: The most recent global competitive index shows that Ethiopia has lost ground. The key challenge is the lack of foreign currency. However, the government has plans to address these challenges with a focus on infrastructure and foreign currency. The construction of the Grand Renaissance Dam is expected to alleviate the current power shortage and ultimately boost exports. We expect great transformation in the economy within the next three years.

Q: How will the current foreign currency shortages affect service centres?

A: The thin-gauge business will continue to be compromised based on the foreign currency situation, but service centres focus on valued added lines, not on thin-gauge lines. So they will be volume drivers, and with continued focus on value-added products, we will not run short of raw material for our service centres.

Q: What added-value lines will ESPLC unveil?

A: From next year, our focus will be on multiple product introductions, including Ultra-Span steel roof trusses, and Lifestile stone-coated tiles. These lines do not require heavy capital investment or foreign currency outlay. We will be able to serve a market niche which has not been explored by the competition.

Q: What is your vision for ESPLC?

A: I work towards the creation of a strong and sustainable business which will be able to withstand the rigours of the market, irrespective of who leads it. I am confident of leaving behind a company which will put a smile on the face of all stakeholders.



“I work towards the creation of a strong and sustainable business which will be able to withstand the rigours of the market, irrespective of who leads it.”

Safintra Malawi reaches out to its customers with advertising and road shows

With crowd-pulling road shows and a nationwide advertising campaign that covers every media base, Safintra is making its presence felt in Malawi.



Brand awareness has increased by an impressive sixty per cent since the road shows began.

There are adverts on buses travelling all the main routes, on billboards, in newspapers and magazines, and on national radio stations.

Additionally, technical advice on Safintra products was provided to carpenters, who are the 'doctors' of roofing. Safintra holds technical seminars to upgrade their skills and installation knowledge.

To date, over 100 carpenters have been trained and are already becoming Safintra ambassadors in converting end-users to Safintra steel roofing products.

The rural areas of Malawi do not have access to internet, television or print media. To reach these consumers, Safintra Malawi introduced countrywide road shows.

The show uses a large truck and a renowned Malawian artist who is a crowd-puller.

Dramatic increase in brand awareness

It is a novel way to reach 70% of the consumer market in the rural areas and already the road shows, held from June to September in 2012, have resulted in dramatically increased customer brand awareness and product knowledge – from 15 % before the shows, to 76% after them!

Safintra Malawi has also gone the extra mile to ensure that these rural customers have easy access to their products in local shops by developing local retailers in villages throughout Malawi and giving them a chance to stock Safintra roofing sheets. This expansion drive has helped customers access a good quality, value-for-money steel roof, in a market littered with sub-standard substitutes.

To extend customer relationships, Safintra Malawi also participated in the 25th COMESA Trade Fair which took place at the International Trade Fair grounds from 24 May to 2 June. This gave the company the opportunity to showcase a variety of roofing solutions and allied building products to the local and international community.



Safintra Malawi hits the road.

Safintra Rwanda leads in roofing sector



Technically-superior products and an emphasis on quality, customer service and brand building, have established Safintra Rwanda as a key player in the Rwandan roofing market over the last four years.

Safintra Rwanda is the leader in the high-end roofing segment with well established brands such as Royal Versatile and Versatile.

The company has recently launched technically superior products which are aimed at reducing the life-cycle cost, time and complexities for the

highly demanding construction industry and provide a competitive edge in the industry. The new products launched are Ultraspan, Lifestyle, Quikmover and Strakcha.

The company is committed to providing many more new products to the Rwanda market and is a true partner in the country's progress and development.



ALAF wins Best Stand Award at the Nane Nane Trade Show.

ALAF takes first prize at the Nane Nane Trade Show in Mbeya

Tanzania celebrates Nane Nane 'farmer's day' in August each year with agricultural shows held around the country. In the southern zone, over 400 exhibitors take part at the trade show held in Mbeya. In 2013, ALAF participated for the first time and won an award for the 'Best Stand' in the construction category.

ALAF also participated in the Contractor Registration Board (CRB) of Tanzania's annual meetings, held in Dar es Salaam, Mwanza and Arusha. ALAF took this opportunity to launch the Ultra-Span light-gauge truss system. The product was very well accepted by the contractor community, which bodes well for sales in 2014.



Ethiopian Steel shines at the Gondar Culture and Trade Festival.

Ethiopian Steel shines at the Gondar Culture and Trade Festival

Ethiopian Steel PLC shone at the Gondar Culture and Trade Festival which was held from the 4 to 14 January 2013. This annual event, organised by the office of the Mayor of Gondar, is an important one on the local calendar, and is well attended by local business and residents.

Participation in the festival's entertainment programme gave the company an excellent platform to market its products, and to raise company exposure for its Gondar Service Centre.



Safintra Mozambique makes inroads into lucrative market sector with Versatile

Safintra Mozambique recently introduced the Versatile profile into the market – a first for a market in which clay tile roofing is widely used, and considered to be highly prestigious. The company commenced operations

in 2008 selling Lion corrugated, Supa Roof pre-painted sheets, and Durazas.

It has recently added to its offering with new profiles and enhanced customer services targeting the middle and upper income markets. Products include Classicor Corrugated, Tufdek IBR, Trimflute for wider coverage, and the production of flashings for all profiles, plus bullnosing and cranking capabilities for all design requirements.



Uganda Baati reminds customers to look out for its mark of quality

Uganda Baati has launched a fresh new look using billboards and wall branding.

The 'Don't Be Cheated' campaign reminds consumers of the superior quality of Uganda Baati's products, in comparison to the poor quality material available on the market.

Uganda Baati also continues to educate consumers through road shows which are held throughout the country.

MAKING ROOFS WORK HARDER



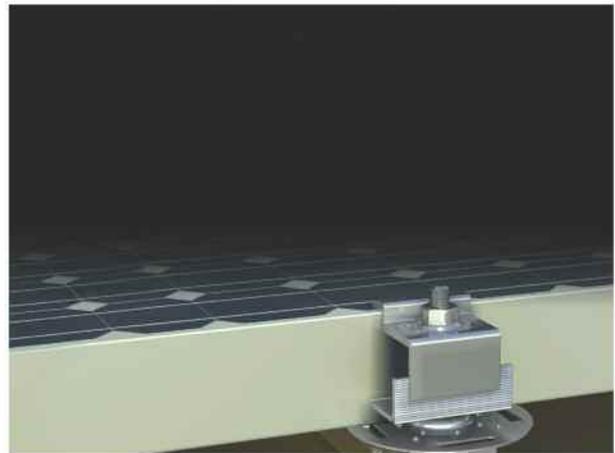
S-5! CorruBracket™ for corrugated profiles



S-5! TrapBracket™ for trapezoidal profiles



S-5-K Grip™ for Saflok and similar concealed fix systems



S-5-PV Kit™ for solar module attachment

S-5!® is the right way to attach almost anything to metal roofs:

- Non-penetrating clamps for concealed fix systems preserves sheeting warranties
- Profile-specific attachment brackets for all pierced fix sheets
- Engineered for attachment of PV panels, walkways, HVAC, safety rails, signage and more

S-5 clamps offer:

- High tensile aluminium and non-ferrous stainless steel hardware
- Material compatibility with aluminium-zinc coated steel
- 25-year manufacturer's warranty on all product components
- Unequalled holding strength, average load-to-failure of 1000kg

Safintra South Africa goes the extra 10,000 miles

It began with a comment: “We are installing a solar array on the Wild Coast ... you might be able to help”. There is nothing we like more than a little challenge, such as an installation on a remote coastal location, with the challenge of a brand new product to try out, all within two weeks – and with no ‘plan B’!

The challenge was to roll Saflok 700 in aluminium material, transport it to the Wild Coast, install it in two days, and then over-fit the S-5 roof clamps onto which the solar panels would be secured. S-5 clamps are exclusively distributed in Africa by the Safal Group, and South Africa is the first company in the Group to have received them.

Final loading tests

As the S-5 clamps were put through final loading tests in Denver, Colorado, installation videos were produced in the USA and sent to the installation team on the Wild Coast by satellite cellphone. Finally, the clamps were produced, and after 20 hours of travelling with still-warm clamps in his luggage, Dustin Haddock (the technical person from S-5 in USA) took the late night flight to Durban.

An early start from Virginia airstrip in a small plane, on site by 10am, finished by 3pm, and back on the plane to Durban that evening with a thrilled client. That’s going the extra mile – and then some!

The challenge was to roll Saflok 700 in Aluminium material, transport it to the Wild Coast, install it in two days, and then over-fit the S-5 roof clamps onto which the solar panels would be secured.





Safintra South Africa leads the charge for sustainable architecture

The role of metal roof sheeting has made a major comeback in sustainable and green architecture.

As part of their 'Great South African Architecture' advertising campaign, Safintra South Africa featured a remarkable home in Irene – designed by top architects – which sets a new standard for sustainable living.

Safintra was able to use this project to showcase the benefits of aluminium-

zinc coated steel for architecture, which leads the charge in creating an environmentally forward-looking built environment. The house, with its farm-style vernacular, used Classicorr Corrugated sheeting not only on the roof and side cladding, but also for water tanks to collect rainwater, which is used for the garden, toilets and to fill the swimming pool.

The SA Department of Public Works now requires architects who design new public buildings to conform to the guidelines of the Green Building Council. For example, ablution facilities must use wastewater, generally augmented by rainwater.

Steel roofing is sustainable

The built environment is responsible for 40% of the world's greenhouse gas emissions, and uses one-third of the world's resources. With these alarming statistics, sustainability in buildings is no longer an option – it is a necessity. And a well-designed roofing system is a critical part of the total building's durability and service life.

Steel roofing materials fit the bill because they are recyclable, thermally efficient/heat reflective, and are able to accommodate above-roof attachments such as solar panels, without compromising the performance of the roof covering.

An aluminium-zinc coating on steel is proven to provide optimal service life for the roof – four times that of a zinc galvanised product of the same coated thickness.

Metal roofing can reflect up to 70% of the sun's rays, resulting in less heat transfer to the interior of the building.

Modern coating technologies enhance steel's low emissivity, allowing buildings to cool down significantly at night and to experience less temperature differential during the day.

A white, or very light coloured roof surface, further maximises its reflectance, minimising absorption of inbound solar energy, resulting in a cooler roof in summer, and reducing urban heat islands in cities.

Safintra South Africa talks to architects and built-environment professionals



There was an excellent response from both customers and professionals at the 'Sustainability in Architecture' events which were co-hosted by *Walls and Roofs* magazine.



Safintra South Africa hosted several events for architects and built-environment professionals during the year. Two events, with the theme 'Sustainability in Architecture', were co-hosted with *Walls and Roofs* magazine in April and September 2013. More than 100 architects attended each event.

A major growth opportunity

Various branches in South Africa also hosted customers at a breakfast talk on Over-Roofing and Retrofitting, a segment that presents a major growth opportunity in South Africa.

There was an excellent response from customers and professionals alike and technical reference material was handed to all delegates.

Safintra Zambia takes top award for Best Manufacturer at Construction Expo



Safintra Zambia won first prize for the best manufacturer/exhibitor at the Construction Expo, held by the National Council for Construction of Zambia (NCC), from 17 to 19 April. This was the first expo held for the industry. Awards were given to recognise those who have contributed to the industry and to infrastructural development in Zambia.

The company also had an opportunity to showcase its new products to the market during the country's premier agricultural show, the Zambia Agricultural and Commercial Show, held in Lusaka for five days. There were over 1,000 local and international exhibitors.

Safal MiTek has trained more than 500 artisans, contractors, fabricators and installers in the use of Ultraspan.



Safal MiTek rolls out Ultraspan to five new markets



Safal MiTek has launched its technologically innovative Ultraspan product to five new East African markets in the last year. Initially introduced in Kenya, the product is being rolled out for residential, commercial and industrial use.



Ultraspan is a light gauge steel truss system, supported by patented software known as MiTek 20/20, which minimises design time and maximises productivity.

Mr. Mukesh Patil, Marketing Manager said: “We have already supplied more than 750,000 m² of roofs, and demand is spreading like wild-fire. In 2013, we expanded our footprint into Zambia, Tanzania, Uganda, Rwanda and Congo-Zaire. The horizon is endless!”

The company has supplied metal roof trusses to mass housing projects, hotels, individual houses, churches, schools, hostels, resorts, shopping malls, manufacturing sheds, universities, petrol stations, warehouses, hospitals and dining halls.

Aside from manufacturing, the company has also focused on

upgrading skills to keep pace with this new technology – not only within the company, but for those who use the product. Safal MiTek has trained more than 500 artisans, contractors, fabricators and installers in the East African region in the use of the product.

Safal MiTek is a joint venture between MiTek Industries South Africa and Mabati Rolling Mills, Kenya. In the four years of its existence the company, which is based at Athi River, near Nairobi in Kenya, has grown in leaps and bounds.

In the four years of its existence Safal MiTek has grown in leaps and bounds, and has supplied 750,000m² of roof material.



‘Quickmovers’ finding ready acceptance for multiple uses

The Safal Group has launched ‘Quickmovers’, multipurpose mobile prefabricated units ideal for use as site offices, shops, mobile clinics, classrooms, and more.

The knock-down unit is easy to transport, simple to erect or to dismantle and to move. The steel structure consists of expanded polystyrene (EPS) sandwich panels for wall and roof, which are well insulated to provide interior comfort. A frame of sturdy steel provides a robust and secure space.

The unit can be assembled within three days; the roof and wall panels are already ducted and fitted with complete electrification and floor panels, so no foundation is required.



Insteel launches Strakcha scaffolding systems to great acclaim

Insteel of Kenya, a primary manufacturer of steel pipes and tubes, strives to provide technologically-superior products to keep pace with the needs of the demanding construction industry. Recently it launched its Strakcha Scaffolding Range which provides a top quality local alternative to fully imported systems. The Strakcha range – including its Frame Scaffolding, Cuplock and Ringlock systems – was launched mid-year and is finding pleasing market acceptance.

The Strakcha Scaffolding Range, which was launched mid-year, provides a top quality local alternative to fully imported systems.

Information and communication technology – essential enablers of business

Safal will be embarking on a group-wide campaign to boost IT and ICT capabilities to keep pace with aggressive growth plans and business development.



Vikram Saxena has been appointed as Group ICT Head. He is responsible for ensuring that IT systems are being optimised to create both a strategic and competitive advantage, and to ensure synergy across the Group.

ERP implementation

The end result of the Group's technology streamlining process will be to ensure that all process functionalities are covered by electronic systems.

Barcoding and weighbridge integration, planning and demand forecast models, MRP/shop floor scheduling and process costing, will bring significant benefits to the Group's processes at every stage of procurement, manufacture logistics and sales.

Navision will be implemented as an alternate ERP business system to SAP.

"We intend to create a platform for collaboration among Safal Group employees by implementing an intranet and video conferencing system across major locations," said Saxena.

Building a competitive edge through Human Capital

As we do business in increasingly diverse and dynamic markets in eastern and southern Africa, the single greatest competitive advantage between one organisation and the next is its Human Capital.



Continuity of skills is the key to sustained success and the long service awardees have made a significant contribution to our business.

Companies are not made up of products, they are made up of people with the necessary skills, experience and integrity to take the correct operational and strategic decisions that will turn a good business into a great business. Continuity is key to sustained success, and the long service awardees have each made a significant contribution to the business, for which we are grateful.

The Safal Group human resources function serves to provide line management with the requisite information and expertise to effectively manage the human capital (HR) of the Group, and to provide the HR business partnering expertise via functional support and 'Centres of Expertise'.

At operational level, the key HR requirement is to effectively recruit, retain and develop the intellectual capital necessary to support and deliver on the overall business strategy, and to allow the SAFAL Group to continue to build its competitive human capital advantage.

On the organisational and human capital front, the focus is on driving performance, recognising and rewarding talent, and providing

continuous learning and development which will be vital for continued and sustained success.

We are proud of each and every one of the Safal family, and encourage them to go even further to *Make a World of Difference* as they walk with us through the years and decades ahead.

Dr. Chris Wilson
Safal Group
Human Resources Manager

Executive appointments



Mosale Jayakrishna Raghuram.

Mosale Jayakrishna Raghuram (Raghu) was appointed as Safal Steel Business Head on 1 July 2013, and was also invited to join the Safal Steel Board. He is a qualified mechanical engineer with 28 years' experience in similar manufacturing operations, and was previously Executive Director of Metalexag FZE in Dubai.

Andrew Heycott was appointed as Business Head of Mabati Rolling Mills Coils Division on 1st July 2013. Andrew also assumed supervisory responsibility for ALAF Coil business in Tanzania, but will be based at Mariakani, Kenya. Andrew brings with him a wealth of experience and knowledge of the steel industry. He holds a BSc Engineering (Honours) degree and has over 20 years operational and steel business experience, having previously worked at Tata Steel in Asia and Bluescope Steel in Indonesia.



Andrew Heycott.

Bhavesh Chandaria is responsible for the entire Learning, Training and Development portfolio of the Safal Group. He is based at ALAF, Dar es Salaam and reports to Dr. Chris Wilson. Bhavesh holds a Masters of Management Studies, a Diploma in Business Management and a Global Professional in HR certification, and has vast experience in human resources at a very senior level. His mandate is to build a learning organisation, and to act as a centre of excellence which will produce a professional and competent workforce to deliver on the objectives of the Safal Group.



Bhavesh Chandaria.

Executive transfers

Saurabh Wathare has been promoted to Business Head, Gainvest SARL, Angola, based in Luanda, effective October 2013. Previously in Maputo, Mozambique for three years, Saurabh looks forward to the challenges of a new market.

Mr. Venkateshwer Erra Rao was appointed as Business Head, Mozambique effective from October 2013. Known as E. V. Rao, he has held the position of General Manager, Marketing and Sales at Mabati Rolling Mills, Kenya, for almost five years.



Venkateshwer Erra Rao.

Long Service Awards



Kaushik Shah.

37 years:

Kaushik Shah is a Chartered Accountant with 37 years service with Comcraft and the Safal Group. Currently, he is a Safal Group Director for East Africa.

Mr. Shah is also a director of several other companies including Standard Chartered Bank and the Kenya Association of Manufacturers. In 2004, he received a Presidential Award, 'Moran of the Burning Spear', from His Excellency, the President of Kenya.

From 1996–2011 (15 years), he was the CEO of Mabati Rolling Mills, while at the same time having Safal Group responsibilities: from 1996–2004 he was the Safal Group General Manager and from 2005–2011 he was the Regional CEO, Safal Group, Horn of Africa.

During his time at the helm of Mabati Rolling Mills, Mr. Kaushik Shah has received numerous awards from the Kenya Institute of Management:

- Individual awards include being named CEO of the Year in 2003 and 2011.
- Company recognition includes receiving the Company of the Year Award no less than four times on behalf of Mabati Rolling Mills (in 2003, 2007, 2009 and 2011).

Some key contributions in his career with the Safal Group and Mabati Rolling Mills include:

- Being responsible for the consolidation of activities of Mabati Rolling Mills, Galsheet Kenya and Steel Africa.
- Introducing of good governance practices in several areas.
- The implementation of Kaizen principles of continuous improvement.
- Setting-up the Mabati Technical Training Institute and supervising the setting of the new Mabati Medical Centre.

35 years:

Stephen Nahashon joined the Group in December 1977 as a dispatch driver. After a year, he was promoted to driver in the management department. In 1985, he was transferred to Galsheet Kenya as the driver for Managing Director, Mr. Hirji Shah. He still works for the group company, Mabati Rolling Mills.

John Kilonzo joined Mabati (now Galsheet Kenya) in 1978 as a casual worker in the tools store. He learnt to drive on his own initiative and in 1989 he was employed as a driver to carry out daily deliveries and other company errands. He is now the driver for the CEO of Bahari Forwarders.

34 years:

Prakash Chauhan joined Insteel as a trainee engineer when the company was incorporated in 1979. He rose through the ranks to Production Engineer and finally to Chief Engineer from 1979 to 1999.

In 2000 he joined the Insteel Marketing Department as Marketing Manager, a position he held for six years. In 2006, he was transferred to Mabati Rolling Mills, Athi River, as Senior Business Development Officer and then promoted to Operations Manager.

During his tenure at Mabati Rolling Mills Athi River, he launched two new products in the roofing range namely, Lifestyle stone-coated tiles and Polycarbonate translucent sheeting. He was also instrumental in the deployment of SAP for the Sales and Marketing Department.

In July, 2011 he was transferred back to Insteel as the Operations Manager, the position he holds today.



Stephen Njuguna Nahashon.

26 years:

Julius Ngao joined the Group in November 1987 as a driver for Mr. S.J. Shah, a position that he still has today.

25 years:

Livingstone Kibata joined Galsheet Kenya in July 1988 as a driver in the sales and marketing department. In 1993 he was promoted to driver for the General Manager. In 2000 he was transferred to Insteel as driver for the CEO until 2012, when he was once again transferred to the regional office of Safal as the driver for the Group Manager (Business Development).

15 years:

Arup Ghoshal joined the Safal Group in July 1994 as Project Manager in what was then known as Galsheet Kenya.

His first project was the planning of a new Continuous Galvanizing and Pickling Line for the Mabati-Galsheet-Steel Africa Group, as well as the upgrading of the Galvanizing Line at Galsheet.

This was followed by the addition of a second bay in the Colour Coating Line and a cut-to-length line in 1995-96. The next major project was the Continuous Galvanizing Line at Uganda Baati in Kampala in 1996-97.

Once the major Metal Coating Line (MCL) for Mabati was approved in 1998, Mr. Ghoshal ordered machinery from Kawasaki of Japan and finalised the Aluminium-Zinc (AZ) technology transfer from BIEC.

The Metal Coating Line was commissioned in 2000 and the AZ in 2001. Mr. Ghoshal led the operations team for one year before handing over the MCL in 2002.

In 2002–2003 he helped Midland Galvanizing, the Group company in Nigeria, to plan, set up and commission their Metal Coating Line in Abeokuta. He returned to Kenya in 2004 to start planning for the Pickling Line at Mabati and completed this project in 2005.

In 2005–2006 he took charge of Mabati Rolling Mills as acting Chief Operating Officer before handing over to the new incumbent, Mr. Mahesh Chavda.

Planning for the Group's major expansion in Kenya, Nigeria, Tanzania and South Africa, started in the same year with feasibility studies, due diligence, project planning and tendering.

Mr. Ghoshal led the project teams on the technical side, during which time he helped complete the projects and commissioned the 6-Hi Mill in Kenya, the MCL in Tanzania in 2009 and the greenfield Pickling-CRM-MCL-CCL in South Africa in 2010.

10 years:

Kishore Sewdayal joined the Group in July 2003 as a Financial Manager at Safintra in Durban. He was transferred to Safal Steel in 2011 as the Financial Accountant.

We are proud of each and every one of the Safal family, and encourage them to go even further to *Make a World of Difference* as they walk with us through the years and decades ahead.

Purlin systems enjoy soaring sales for Safintra's Metsec

Metsec purlins are currently being used in the construction of the new Massbuild Warehouse in Gauteng, South Africa.

Safintra South Africa is the sole Southern African licensee of the patented Metsec light-weight sleeved purlin system.



The warehouse measures 35,500m² and will use approximately 129 tons of Metsec steel supplied by Safintra South Africa. But this is only one of many such projects where Metsec is specified by brand name – creating demand that keeps the roll formers at full tilt, day in and day out.

Metsec is a pre-engineered building solution of purlins, girts and accessories made from high tensile 450mpa steel.

Strength is a major benefit

A major benefit of the Metsec purlin system is its strength, which will not bow over an unbroken span of 12m or more.

Because it is light weight, it also costs 20–25% less than conventional commercial quality steel, which reduces the overall cost of the roof structure and also reduces transportation costs – creating an almost unassailable competitive advantage.

Safintra South Africa is the sole Southern African licensee of the patented Metsec system, sold with world-leading design software which is offered free of charge to structural designers.



Mr. Pankaj Kumar, (CEO) of ALAF, received the prestigious award from His Excellency the Prime Minister of the United Republic of Tanzania, Mizengo Pinda.

ALAF wins President's Manufacturer's Award

ALAF won the President's Manufacturer of the Year award 2012 in the large Industry Metal and Non-Metal products category. The award is administrated by the Confederation of Tanzania Industries.

Superior quality

The company has won this award since its inception seven years ago. This is testimony to the superior quality of both its products and services.

Mr. Pankaj Kumar, CEO of ALAF, received the prestigious award from His Excellency the Prime Minister of the United Republic of Tanzania, Mizengo Pinda, during a ceremony held in Dar es Salaam.



Uganda Baati on a winning streak!

Members of the public voted them the People's Choice Award for the most preferred brand (metallic category) in the country, and Uganda's Private Sector Foundation voted them one of the top 50 Brands in Uganda. Well done, Uganda Baati – there is no higher praise!



ALAF embraces good health and safety in the workplace

ALAF won first place in a government-led competition to recognise good health and safety practices in the workplace.

Creating awareness

The trophies were given by Tanzania's Occupational and Health Authority (OSHA) as part of a wider campaign to create awareness around the health and well-being of workers. This is the second year running that the company has scooped this prize.



Safal Steel sets the gold standard in coil coating

Safal Steel has become the leader in the coated steel market since the first Zinal and Colorplus coils were rolled at Safal Steel in October 2010.

Steady growth

Our business contributes significantly to the local economy, moving in excess of 10,000 tons of steel monthly via imports and exports through Durban harbour.

Our steady growth year-on-year is attributed to the dedication of our staff with a recent production highlight totalling 13,198 metric tons produced off our metal coating line in July 2013.



Safintra Malawi builds its reputation as the country's premier supplier

Safintra Malawi has strengthened their brand image through a series of meetings with major players in the building industry.

The company holds seminars with contractors, architects, engineers, quantity surveyors and different specifiers. They have also visited government organisations such as the Malawi Revenue Authority (MRA) and the Malawi Housing Corporation (MHC). These interactions have reinforced Safintra's position as the premier roofing brand.

Mabati Rolling Mills sponsors successful medical camp

Mabati Rolling Mills sponsored a very successful medical camp in Mariakani on 1 September 2013, organised by the Lions Club of Mombasa Pwani.

It was the busiest and most successful clinic so far, with queues starting well before the 8am opening time. Apart from general medical care, patients had access to a variety of specialist help for eyes, teeth, ear, nose and throat (ENT), as well as ultrasound facilities. They were also screened for blood sugar and diabetes and all patients were given free medication.

Mariakani and its surrounds have impoverished communities who do not have easy access to food, shelter and clothing. Healthcare facilities are also limited. Most of the population have to travel far to get access to basic healthcare facilities. The huge need has led to this camp becoming an annual event in the calendar of this club.



- Seven hundred and fifteen general patients were seen and given treatment. The five most common ailments were upper respiratory tract infections, anaemia, skin infections, malaria and hypertension. The rest of the patients were treated for other ailments like worm infestations, peptic ulcers and malnutrition in children.
- One hundred and thirty ENT patients were screened and treated.
- Sixty-nine patients were screened for diabetes and blood sugar.
- Twenty ultrasound scans were done on pregnant women and patients with abdominal complaints.

Mabati Rolling Mills never forgets that success is shared



Mabati Rolling Mills joined other Kenyan private sector companies in adopting the 10 principles of the UN Global Compact.

The UN Global Compact is a United Nations initiative to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The principles are pegged on issues of human rights, labour, environment and anti-corruption.

Their CSR activities this year included a charity walk, which raised Kshs104,000 in aid of the Starehe Girls' Centre, and planting of trees at

the Peter Kariuki Primary School in Kiambu County and along the Nairobi National Park fence. Pupils were also given lap desks.

MRM donated money to the Kenya Wildlife Services (KWS) and Kenya Power and Lighting Company (KPLC) and participated in KWS's team building activities through wheelbarrow competitions.

The Chandaria Business Foundation drives Socio-Economic Transformation



Dr. and Mrs. Chandaria (far left) at the official opening of the Business Innovation and Incubation Centre in 2012.

The Chandaria Business Foundation (CBF) helped build a multi-million dollar Innovation and Incubation Centre at Kenyatta University.

The CBF was founded by MRM Chairman Dr. Manu Chandaria, a top industrialist and noted philanthropist, who is also Founding Chairman and Chairman Emeritus of the Safal Group.

The establishment of the Chandaria Business and Innovation and Incubation Centre (BIIC) is a partnership between Kenyatta University and the Chandaria Foundation. It was established to encourage university lecturers, students and other Kenyans to focus on solutions for socio-economic transformation. Nine incubate projects have already been set up with the establishment of the centre.

An elated Dr. Chandaria said the centre would be of great benefit to the Kenyan nation. "It will be the foundation of empowerment to the youth and will encourage them to develop transformative ideas leading to wealth creation ventures."

Safal Steel looks after its employees' health and well-being

In 2013, Safal Steel focused its CSI efforts on their employee communities with donations of food, clothing, stationery and roofing. The company also promotes sport for a healthy workforce, and provided a sports sponsorship to the Durban Rugby Sub-Union (DRSU).



Great South African Architecture

Barn House, Southdowns Estate, Irene, Pretoria



Photography by Dennis Guichard

Friedrich and Johann Strey



World Class Brands + Professional Relationships

classicorr
corrugated

Classicorr Corrugated by Strey Architects & Interiors

Friedrich Strey states: "Our long-standing relationship with Safintra Roofing, their quality brands and technical expertise made them the natural choice as supplier for this project. Our firm embraces green building principles, as illustrated in the Barn House, and the legion of environmental benefits in using metal roofing sheeting in matters such as rainwater harvesting, simply cannot be disregarded. We hope that this example will inspire others to push the boundaries of architecture and fulfill their dream while doing their bit for the future users of our world...our children."

Corrugated sheeting defined the aesthetic of many early South African buildings; it was strong yet light, provided safety, and travelled well. It also could also be used for a multitude of purposes, from fencing to rainwater tanks. And as we return to a more earth-friendly lifestyle, corrugated sheeting is proving its timeless appeal.

Safintra's roofing system components include standard and bespoke flashings, louvres, ventilators, fasteners, above-roof attachment clamps, specialist polycarbonate products, and the Metsec purlin system. Manufacturer warranties on all components are available on request.

Full technical support is offered to our clients at no cost.

Six branches in South Africa: Johannesburg, Cape Town, Durban, Port Elizabeth, Nelspruit and Polokwane.

www.safintra.co.za

Affiliated operations in Mozambique, Malawi, Zambia, Angola, Uganda, Tanzania, Kenya, Rwanda, Burundi and Ethiopia. www.safintra.com

Saflok, Tufdek IBR, Fluteline (Industrial 7), Widedek, Trimflute, Classicorr Corrugated and Versatile are registered trademarks of Safintra.



Strey
Architects & Interiors



SAFINTRA
world class roofing systems

A member of the





Safal MiTek trains installers

Safal MiTek of Kenya has spent more than US\$50,000 on its Fundi Development Programme to help those in the construction industry who work with its products. The programme is designed to help avoid common mistakes made during installation, providing practical skills and knowledge. But it also goes further to help contractors and builders with lessons and tutorials on construction safety, book keeping and business tax, helping them to become more successful businessmen and women.

Uganda Baati lives up to ISO 26000 standards



Uganda Baati is one of five companies in the country chosen to adopt ISO 26000 as its social responsibility standard. This was done on the basis of its already successful social responsibility programmes in the areas of health, education and the environment. Work on implementation of the standard has already begun in earnest and a company committee has been set up to ensure compliance and to measure improvements in the implementation of social responsibility programmes.



Safintra Malawi supports education

Safintra Malawi continues to support the community by providing roofing sheets to schools and also by helping with various local community projects. The company hands out lap desks from time to time, to Malawian school children.



Assured Length, Thickness and Quality as promised.



SIMBACHUMATM

PREMIUM STEEL PIPES & SECTIONS

- Black Pipes
- Round Tubes
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Tel: Dar es Salaam: (022) 2860010/14, **Arusha:** 0732979379, **Mbeya:** 0784950098, **Mwanza:** (028) 2500730

Ethiopian Steel focuses on its communities close to home

Ethiopian Steel PLC gives back to the community in the areas in which it operates. It has adopted a spread of projects which cover the immediate and most pressing needs of these communities, including health, education and community policing. It sponsored the Gondar Annual Cultural Festival and partnered with the regional city administration for the World Safety and Health at Work celebration.



Safintra Burundi helps house the homeless

In April 2013, Safintra Burundi handed over 1,300 sheets of Dumuzas to the Burundian government to be used for housing for the poor and indigent. The sheeting was supplied by Mabati Rolling Mills to celebrate the 50th anniversary of the independence of Burundi.



ALAF stands up for healthcare

Substantial donations of roofing sheets were made by ALAF to a maternity ward and children's cancer ward.

ALAF made substantial donations of roofing sheets to a maternity ward and a children's cancer ward. Their contribution to the Urambo East maternity home in the Tabora District is part of a government-backed campaign to prevent maternal deaths.

Roofing sheets were also given to the children's cancer ward at the Muhimbili Hospital in Dar es Salaam. ALAF had joined forces with the Rotary Club and Bank M to complete the ward.

The Safal Group embraces sustainability

The true benchmark of sustainability is the ability to withstand time, and the many Roman buildings with us today are perhaps the strongest testament of all.

Many sustainable building practices were initiated during the era of the Roman empire.

Rome was a green empire centuries ahead of its time. Although small by today's standards, the city of Rome was the largest urban centre of the Roman empire.

Spanning over 6.5 million square metres and housing more than one million people, many sustainable building practices were initiated and still remain with us today.

Roman's used water for sanitation and power

Wealthy Romans designed a system of rainwater harvesting. Some of the water was distributed to a cistern after first being filtered with gravel and sand.

Etruscan engineers also constructed the Cloaca Maxima drainage system to constantly drain away sewage and storm water. This system was partially underground and was kept flowing by the continuous stream of bath water from within the city.

A watermill built in Barbegal, South of France, has been described as the greatest known concentration of mechanical power in the ancient world.

They also cleverly used natural light

Natural light was used to great advantage, and Roman architect Marcus Vituvius advocated building so as to maximise warmth or shade, depending on the climate.

"Winter dining rooms and bathrooms should have a south-western

exposure, for the reason that they need the evening light. Bedrooms and libraries ought to have an eastern exposure, because their purposes require the morning light, and also because books in such libraries will not decay."

Roman engineers invented geysers, underfloor heating and air-conditioning!

For hot water, a furnace was built beneath raised flooring (propped up on pillars). The furnace also created heat underneath the floor which spread throughout the room, supplemented by warm water pipes.

For summer cooling, rain water was caught in a cistern and led into shallow pools near doors. As it evaporated, the cool air would flow into the central courtyard (atrium) of the house, displacing the hot air which rose and dissipated. Today, this process is commonly referred to as 'passive cooling' and is widely used in many corporate buildings.

Of course, the true benchmark of sustainability is the ability to withstand time, and the many Roman buildings with us today are perhaps the strongest testament of all.



A *caldarium* provided underfloor heating.



Remains of an ancient Roman cistern.



Remains of a Roman aqueduct.
Aqueducts channeled water from a water source to a destination (like a pipe-line).

The City of Arts and Sciences (Ciudad de las Artes y las Ciencias) is a major public cultural and architectural complex in Valencia, Spain,

Safal Group is making ‘A world of difference’



Steel roofs can incorporate panels and above-roof systems to reduce energy and water usage by harvesting solar power and rainwater.

There is a world-wide urgency to move towards sustainability. According to the United Nations, there will be a need for 40% more housing and basic infrastructure services by 2030. Nowhere are the effects of population growth more visible than in the cities and urban fringes of African cities and towns.

Steel is uniquely placed to help communities across Africa meet these challenges in a sustainable, responsible manner.

Steel building solutions can effectively respond to housing demands with durable, low cost, pre-fabricated solutions that are quick to build and require little maintenance.

The Safal Group's steel roofing is making a major comeback in green design and architecture. One of Africa's most popular roofing options – steel roofs – are not only aesthetic, but help save energy, conserve water and are 100% recyclable.

Steel roofs can incorporate panels and above-roof systems to reduce energy and water usage by harvesting solar power and rainwater. And at the end of its life, steel can be recycled, reducing the amount of virgin material required for each ton produced.

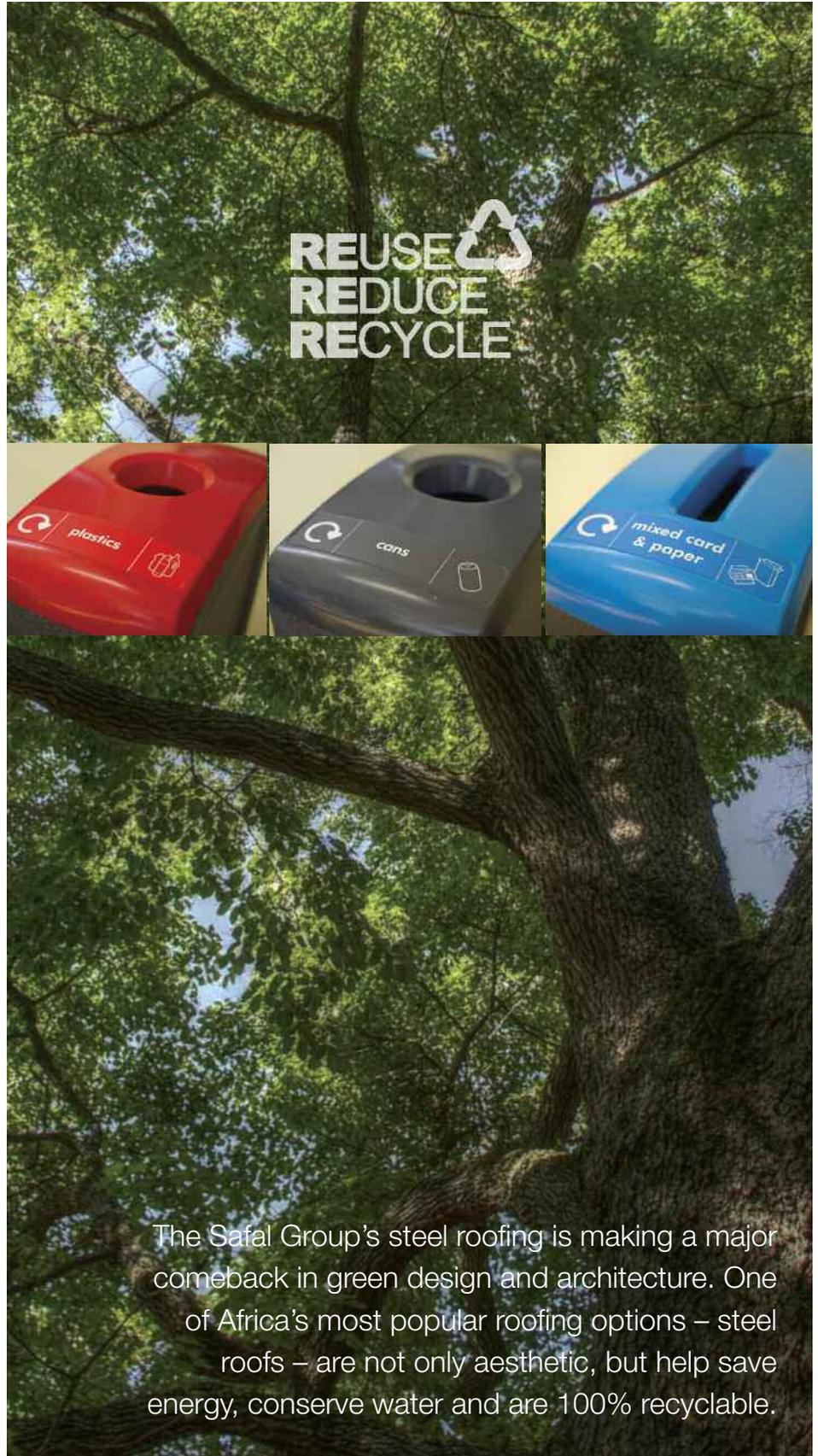
Aluminium-zinc coated steel, whether in metallic or pre-painted finishes, is designed to reflect heat, resulting in cooler homes and ultimately giving energy savings to the consumer. Modern coating technologies enhance steel's low emissivity, allowing buildings to cool down significantly at night and to experience less temperature differential during the day.

For solar power harvesting, the structural nature of a steel sheet is an ideal substrate. Mechanical mounting systems attach directly to the roof rib, with no penetration of sheet, to ensure maximum water-tightness for the service life of the roof sheet.



Fascinating facts about the **World of Difference** you could make by recycling!

- To make one tonne of paper, it takes on average 24 trees.
- It takes 70% less energy to recycle paper than it does to make paper from scratch using raw materials.
- Recycled paper is better for air quality, producing 73% less pollution than paper made from scratch from raw materials.
- You can power a computer for 25 minutes with the energy saved from recycling one glass bottle.
- You can light a room with a 60-watt light for three hours, using the energy saved from recycling one plastic bottle.
- You can power a television for three hours by recycling one tin can.
- Nearly 80% of the average car can be reused and recycled.
- Nearly 60% of all the rubbish that ends up in household dustbins could have been recycled.
- Around 50% of waste in the average dustbin could have been put in a compost heap instead.
- The average dustbin contains the yearly energy potential to power a television set for 5,000 hours.



The Safal Group's steel roofing is making a major comeback in green design and architecture. One of Africa's most popular roofing options – steel roofs – are not only aesthetic, but help save energy, conserve water and are 100% recyclable.



- ◆ Africa's largest manufacturer of steel roofing
- ◆ The continent's sole producer of Aluminium-Zinc coated steel
- ◆ Over 3,200 people employed in 36 operations in 11 countries
 - ◆ Africa's most tried and trusted roofing brands

In all its processes and practises, through its products and its people, in its business performance and its ethics, the SAFAL Group continually strives to **Make a World of Difference.**

www.safalgroup.com



Angola | Burundi | Ethiopia | Kenya | Malawi | Mozambique | Rwanda | South Africa | Tanzania | Uganda | Zambia

