

MCM CEEP WEBINAR 2 REPORT

Morupule Coal Mine hosted the second Citizen Economic Empowerment Programme Webinar on 25 October 2023 which explored, **“Supply-Chain, A Key Lever For Corporate Advantage”**. The following is a Q&A emanating from the webinar.

Number	Question	Answer
1.	Some of us are Batswana based overseas, does that mean we can't participate?	Absolutely it doesn't! The MCM CEEP Programme is open to all Citizen Owned Businesses that can provide solutions for the business on a needs basis. We invite Citizen Entrepreneurs in the diaspora to engage on potential solutions of value.
2.	Failure to outrun competition, one is reminded of the tell-tales of the likes of Blackberry, Kodak, Nokia (resurrecting i am told) etc...failed agility test... Great teaching there Duncan Jaramba	Thank You!
3.	Supply-Chain Resilience: How does MCM address supply chain disruptions, such as those arising from global events or climate-related issues, and ensure continuity for suppliers and stakeholders in geographically disadvantaged regions like Okavango, Kgalagadi, and other less developed areas in Botswana	In line with our #1-3-27 corporate strategy, MCM's supply-chain management section will be defined by resilience and adaptability to global economic, environmental & geo-political trends. That translates to specific imperatives including strategic sourcing, innovation and technology as well as the foresight provided through data analytics. MCM through its CEE Programme ensures the development of its Citizen suppliers regardless of area of operation insofar as doing business with MCM is concerned.
4.	Sustainability Metrics: Could you elaborate on the key sustainability performance indicators MCM uses to assess and improve its supply chain sustainability, particularly in regions where socially disadvantaged groups reside, such as Okavango and Kgalagadi?	All business functions and sections thereof of MCM are required to comply with internationally certified best practice frameworks such as ISO 14001:2015 and ISO 45001:2018. This includes indicators such as the Safety, Health and Environment (SHE) Index Score.
5.	Local Procurement Initiatives: What specific strategies or initiatives does MCM have in place to promote local procurement and supplier development in areas with disadvantaged social groups, contributing to the economic well-being of these communities?	MCM has developed a Local Procurement and Supplier Development Policy that clearly outlines the company's strategy in the abovementioned areas of concern for targeted groups including the differently abled, women and youth. Initiatives such as preferential margins are applied in line with our company policy to ensure an inclusive supply-chain.



SAFETY AND HEALTH



TOGETHER



VALUE CREATION



INTEGRITY



STAKEHOLDER FOCUS



SUSTAINABILITY

Number	Question	Answer
6.	Carbon Emissions Reduction: In the context of supply chain sustainability, how is MCM working to reduce its carbon footprint, and how does it collaborate with suppliers to achieve these goals, especially in regions where socially disadvantaged groups are predominant?	MCM conforms to all Safety and Environmental regulations and is ISO 45001 and ISO 14001 certified. Morupule Coal Mine only mines coal and supplies to end users who then burn the coal, as such we do not produce emissions as result of coal burning. Of importance is that our coal emission tests revealed that we operate well within regulatory limits and MCM's coal performs much better on harmful elements emitted than typical coal in markets such as South African. MCM continues to engage key stakeholders including suppliers within this area to ensure continuous improvement. MCM has standards in place for suppliers to comply with such as the Contractor SHE Management Standard,
7.	Circular Economy Practices: Could you share examples of circular economy practices within MCM's supply chain, and how do these practices contribute to resource efficiency and sustainability in regions with socially disadvantaged groups like Okavango and Kgalagadi?	Albeit Circular Economy Practices include a broad spectrum of components, MCM's Supply-Chain along with internal business partners ensures that where possible, disposal practices uphold the Safety and Health that of its employees, the public and the environment. This is entrenched in various policies. One such example is the MCM's Waste Management Policy.
8.	Supply Chain Transparency: What steps has MCM taken to enhance transparency within its supply chain, especially regarding sourcing practices and material traceability, in order to meet sustainability goals in areas with socially disadvantaged groups?	There are numerous policies and standards in which supply-chain transparency is synonymous. These cover governance and reporting, human-rights and responsible and ethical business practices.
9.	Collaborative Innovation: How does MCM foster innovation and collaboration with suppliers to develop sustainable and environmentally friendly solutions, specifically addressing the unique challenges faced by socially disadvantaged groups in regions like Okavango and Kgalagadi?	Innovation in its diversity must be applied practically and pragmatically to ultimately offer value. It is essential that targeted interventions are provided to communities and or specific audiences with the understanding of their context. MCM applies a co-creation approach to such contexts on a case-by-case consideration.
10.	Compliance and Regulation: How does MCM ensure that its supply chain operations comply with local and international environmental regulations, especially in regions where regulations may vary or be less developed, and where socially disadvantaged groups are prevalent?	Please refer to A8.
11.	Community Engagement: Can you explain how MCM engages with local communities in socially disadvantaged regions, involving them in supply chain decisions and ensuring that they benefit from the company's presence, particularly addressing the needs of people with disabilities in these communities?	Please refer to A5.
12.	Technology Adoption: What emerging technologies or digital tools is MCM utilizing in its supply chain to improve sustainability and efficiency, and how can these technologies be accessible and beneficial to suppliers in remote or	MCM Supply-Chain in line with the digitalization pillar recently implemented a technological solution named Pronto xi which centralizes all enterprise resources and processes to increase productivity. Through the implementation

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	disadvantaged areas, including those with socially disadvantaged groups and people with disabilities?	of this technology, Suppliers are able to access services remotely where in specific instances, they would not have been able to. Please refer to the MCM Supply-Chain Management 2023 Top 2 video.
13.	CSR Metrics: What specific key performance indicators (KPIs) does MCM employ to assess the effectiveness of its CSR initiatives in regions with socio-economic disadvantages like Okavango and Kgalagadi?	Key Performance Indicators that speak to human-rights, economic empowerment and environmental issues are applied across the business.
14.	Community Engagement Model: Can you explain the community engagement model used by MCM in areas with limited social infrastructure and resources and how it differs from regions with more developed communities?	MCM utilizes that Anglo-American Social Way framework to guide on our ability, access and license to operate from a community engagement. From a governance and reporting perspective, there exists a CSI committee that constitutes internal experts in the business to ensure that CSI is applied in a holistic manner that speaks to it various perspectives.
15.	Sustainability Integration: How does MCM integrate sustainability principles and CSR initiatives into its core procurement and supply chain processes in regions with fewer resources and infrastructure?	Please refer to A14.
16.	Supplier Diversity: In areas with less developed local supplier networks, how does MCM ensure supplier diversity and inclusion in its procurement practices while meeting CSR objectives?	Please refer to A5.
17.	Environmental Stewardship: Share examples of MCM's environmental stewardship initiatives in disadvantaged regions like Okavango and Kgalagadi and how these efforts align with broader CSR goals.	From environmental education to litter picking, MCM serves as an environmental steward within our Zone of Influence regardless of the social standing of communities.
18.	Skills Development Programs: Can you discuss MCM's programs for skills development and capacity building in areas where access to education and training resources may be limited?	MCM exists within the broader National Innovation System and Mining Sector. It is vital that capacity is built internally and externally. Capacity in the areas of research, economic empowerment, environmental areas of interest and social development is built through interventions implemented by various sections of the business.
19.	Local Workforce Development: How does MCM support local workforce development in regions with fewer employment opportunities, and how does this align with its CSR objectives?	Please refer to A5.
20.	Education Initiatives: Highlight MCM's education-focused CSR initiatives in regions with limited access to educational institutions and infrastructure.	MCM implements a CSI approach as opposed to a CSR. Education is a key focus sector for MCM and have adopted a school in Palapye which previously was one of the worst performing in the region. We are proud to share that since MCM's partnership with the school, it is one of the top performing schools in the region.

Number	Question	Answer
21.	Philanthropic Activities: Could you provide insights into MCM's philanthropic activities and community investments in disadvantaged communities, and how these efforts contribute to social well-being?	Please refer to A5, A9, A11, A20
22.	CSR Reporting and Accountability: What mechanisms are in place to ensure transparent reporting and accountability for CSR initiatives in regions with socio-economic challenges?	Please refer to A13.
23.	Internet Connectivity: How is MCM contributing to improving internet connectivity in disadvantaged areas, ensuring that local residents can access information and resources online?	MCM operates within the broader business community landscape and ensures that it does not duplicate efforts by partners such as SmartBots.
24.	Digital Innovation: What digital innovation initiatives has MCM undertaken to empower communities in less developed areas with access to information about the company and its operations, as well as other digital resources? I want to believe batho ba koo teng nyana teng are currently not engaged yet they want to be part of this	Through the use of national television and radio which are the most accessible and accessed ICTs in Botswana as well as social media; MCM ensures that it spreads the gospel of opportunities that lie within the business from a supply-chain perspective and employment.
25.	Digital Literacy Programs: Does MCM provide digital literacy and training programs to help residents in disadvantaged regions make the most of digital tools and resources?	MCM does not provide digital literacy programmes.
26.	Access to Information: How is MCM working to ensure that local communities in these regions have access to information about the company's activities, employment opportunities, and other relevant updates through digital channels?	Through and integrated approach using technology and partner networks and platforms such as Kgotla meetings as well as community outreaches.
27.	Digital Inclusion: Can you share examples of MCM's efforts to include socially disadvantaged groups and people with disabilities in digital initiatives, ensuring they benefit from digital innovation equally?	Please refer to A24.
28.	Care to share efforts or progress on the transition from a paper-based procurement database management to a cloud based solution?	Please refer to A12.
29.	Share preferred cloud-based procurement ERP software solutions and possible licensing parameters?	Pronti xi.
30.	Kindly shed light on the supplier registration evaluation process and possibly your internal evaluation criteria. Interested in turnaround times and possible disqualifiers.	Please visit www.mcm.co.bw to download the supplier registration form.
31.	To what extent are you using Pronto Software internally for your procurement management processes? see less	End-to-End

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32.	When will MCM introduce online Supplier Database Registration? Because the hand delivery process does not favor people in the other parts of the country,like someone in Xhwihaba will have challenges to come to palapye to Submit.	MCM will have implemented online supplier registration by end of Q1.
33.	Can you please share your CEEP evaluation matrix , would like to appreciate the parameters and a prospective supplier. Documents can be shared here: clients@manaforte.com	Unfortunately we are unable to share.
34.	There is an issue of experience and reference, how do you cater for newcomers?	In consideration of the highly sensitive area of business MCM operates in, MCM ensures that it complies to the required standards insofar as personell capability. MCM has various programmes such as the graduate trainee programme to ensure that the right skills are afforded with the required platform to gain the experience needed.
35.	Where do you usually advertise your tenders Especially fire tenders	We advertise our tenders on all MCM digital platforms and local papers.
36.	there is issue with new comers without experience how do you cater for that	Please refer to A34.
37.	When is your next supplier registration? Also improve on the email response on the matter because it takes time and we as suppliers end up missing the deadline for registration	Beginning of Q2 2024
38.	How can I take advantage of this opportunity going forward or it only beneficial for those who supply items required by MCM	The MCM CEE Programmes benefits Batswana who are serious about providing value through products and services to the Mine which ultimately enable the delivery of coal in an safe, efficient and effective manner
39.	Following up on the Supplier registration , Please clarify if you meant once requirements of the questionnaire are met and application is submitted (hand delivered) , applicants are automatically added to the suppliers database?	Correct.
40.	Does MCM sign deed cessions with Finance & Leasing Businesses interested in the provision of purchase order financing , invoice discounting facilities and contract finance to your suppliers?	MCM signs MoUs on a case-by-case scenario based on the specifics of the agreements.
41.	We understand that CEEP's focus is interested in empowering citizen suppliers, are there specific requirements beyond supplier registration to regularise the process of extending financing to your suppliers by citizen owned nonbank lenders?	For a citizen-owned supplier to benefit from the mentioned financial interventions, one has to have been awarded a contract or work by MCM which is used as the collateral.
42.	How does MCM ensure that registered companies get equal opportunities in ensuring that they are called for tenders and sent RFQs	The new Pronto xi system will ensure companies are afforded euqual opportunities in line with the business.

Number	Question	Answer
43.	In the case of new or rather unexperienced, that is new companies, do you cater for them and much more importantly, do you give young Batswana the opportunity to showcase their capability?	