



STANDARD FLOUR MILLS LIMITED

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PRESS STATEMENT

The Management of Standard Flour Mills (Nigeria) Limited wish to inform the general public and all its stakeholders that the recent spate of negative media stories sponsored by some of the Company's workers have no basis in fact.

The Company is a member of an International Group of Companies that places very high premium on adding value to its various communities of operations while operating within high ethical standards with considerable emphasis on the welfare of its workforce.

Standard Flour Mills Limited does not give preferential treatment to expatriates over its Nigerian workforce. The Expatriates in its employment were recruited because of their technical skills with conditions of service that are not at variance with other expatriates working in similar organizations in the country.

The working conditions given to these expatriates are the same as those given to Nigerians that are deployed to work with affiliates of the Company within the Group in other countries of the world.

Casualisation of workers has never been an employment policy of the Company. The Management has a manning level for the plant for the full complement of permanent employees required for the Company's operations and approved by the Board of Directors.

The recent policy breach that gave rise to the few casual workers in the company has been duly investigated, culprits identified as being responsible for the unauthorized action are to be dealt with and appropriate measures are being taken against future occurrences.

BOARD OF DIRECTORS

Sir (Chief) Bode Akindede, *OFB, KJP, JE* (Chairman)

Baron Eric De Rothschild (French), R. Atema Akindede (Mrs.), *FCIS*,

Engr. Adeoye A. Fowora, *ONS*, Lovemore E. Mandimika, Sir (Chief) S. O. Oguntimehin, *ONS, KSC, FCA, JE*


The Company operates strictly within the laws of the land and it has not done anything either directly or otherwise to discourage freedom of association within its operations.

The Company in line with acceptable business practice makes upward reviews of the wages of its employees annually. In fact, wages were reviewed in 2006 and this year by way of annual increments. The latest of these reviews was made despite the fact that the Company posted a substantial trading loss within the same period.

This notwithstanding, Management gave every opportunity to the workers to get their representatives to discuss their grievances with Management when they began their wildcat strike on Monday, 27th August, 2007. This gesture was rebuffed by the workers until a few days later when they made entreaties to Management for their return to work and they have since returned to work.

At no time has the Management closed its doors to dialoguing with the workers' representatives. Even while they were still on wildcat strike, Management went ahead and paid the August salary of the workers, which they did not reject.

The Company apologises for any inconveniences caused its distributors and other stakeholders due to the disruption in its activities. Every effort is being made to bring operations back to normalcy quickly.



LOVEMORE E. MANDIMIKA
Group Managing Director