# About Us

Eastern Produce Kenya (EPK) grows and manufactures tea in the beautiful Nandi Hills area of Kenya, west of the Great Rift Valley. The equatorial climate, good soil conditions and fairly consistent rainfall allow us to produce our high-quality tea throughout the year.

Producing consistently high-quality tea is fundamental to our business principles. This not only reflects market demand but also our values as a company. We constantly strive to produce our tea in a manner that reflects our mantra; cultivating quality in all we try to do.

We endeavor to build a sustainable agricultural operation that is responsive to the climate challenges our world faces while recognizing our wider responsibilities to society.

Partnerships and economic empowerment programs with local farmers and entrepreneurs form a critical part of our license to trade. Working with 14,000 partner growers and our operations, we collectively produce 30 million kilos of tea per annum.

Our tea garden marks are sold under the following names: Sokot, Kipkoimet, Kepchomo, Chemomi, Kamarya, Sitoi and Savani. We also manage third-party tea operations that sell their products under the marks of Kibwari, Siret and Toyoi.

#### Our Core value: - Cultivating Quality

## **Products**

#### Tea

Eastern Produce Kenya (EPK) owns five factories and seven estates and manages two client factories with three large associated estates.

The tea garden marks in the EPK group are sold under the garden marks off; Sokot, Chemomi, Kepchomo, Kipkoimet, Kamarya, Sitoi, Siret, and Kibwari. Siret and Kibwari are managed on behalf of various local producers.

At EPK, our 14,000 partner growers are important as they enable the company to build a strong and vibrant shared prosperity model. The partner growers provide high quality green leaf, and our factories provide high quality production and marketing services.

#### Our tea harvesting

The majority of our tea is hand-plucked. We are, however, investigating the opportunities to use new technology in all aspects of our business as that is important for our long-term sustainability. We recognize that the introduction of any new technology in any aspect of our global environment has both positive and negative impacts. Balancing affordability, efficiency, quality and social demands is important and one that we continuously reflect upon. Our tea experts have borne this in mind as they have developed a hybrid tea harvesting system which uses people where they are more efficient and uses technology where efficiency gains can be obtained, and importantly, not creating gender barriers to employment.

We are undertaking an appraisal of this technology from its wider impact right through to the market acceptance of the final product. This is very much a work in progress.

# <u>Sustainability</u>

## Sustainable Development Goals (SDGs)

As part of our commitment to contribute to the Sustainable Development Goals (SDGs), and in keeping with our long-term sustainability obligations, EPK has adopted six goals and integrated them into our day-to-day operations. The goals embody our commitment to go beyond creating value for shareholders but also striving to address key areas which impact our wider community and natural environment.

- SDG 3 Good Health and well-being
- SDG 4 Quality Education
- SDG 5 -Gender Equality
- SDG 6 -Clean Water and Sanitation
- SDG 8 Decent Work and Economic Growth
- SDG13 Climate Action

We have been members of the Kenyan UN Global Compact since 2005 and through this journey of continuous learning, we have developed our operations to align with the four key areas of Human Rights, Labour, Environment and Anti-Corruption. We don't believe we have all the answers but, by addressing the challenges we face, incremental and collective improvements can be made.

## Environment

## Natural Resources

By the very nature of our business, we are long-term custodians of the natural resources under our stewardship.

To help preserve and enhance our natural environment, we employ relevant programs to reduce energy use as well as focus on the key elements of sustainable tea production, soil structure, water conservation and promoting biodiversity.

We recognize that both tea and commercial forestry are managed monocrops. Hence, we have set aside over 2,000 hectares of the land entrusted to us for the preservation of biodiversity and our natural flora and fauna.

## Carbon and Climate Action

We continuously focus on critical issues that impact our climate, such as water stewardship, carbon emissions reduction and waste minimisation. By measuring and reporting on these through our annual carbon footprint disclosures, we can identify where reductions can be made.

# • Climate Action

Our aim is to sustain a high-quality agricultural resource which is not just well-managed, but also viable in the long-term for the benefit of future generations. Consequently, we manage the natural resources entrusted to us in a manner that reflects this philosophy.

Working closely with trusted third parties, EPK conducts various audits and assessments of its environmental footprint as well as training our staff in key issues.

In supporting environmental sustainability and biodiversity our summary code of practice is to;

- I. Comply with all environmental legislation. Assess the main environmental impacts of our business activities.
- II. Establish programmes and operational controls to minimize environmental impacts identified in each of our businesses.
- III. Provide appropriate training to our employees and other relevant stakeholders.
- IV. Maintain and enrich the natural resources entrusted to us.

## • Carbon Emissions

EPK has been measuring its carbon emissions since 2013, involving the UK's Carbon Trust since 2016 to scientifically document the amount of Carbon Dioxide our operations emit for both Scope 1 and Scope 2.

By improved management of resources, investment and training of staff, the carbon intensity of our products has halved in the past decade.

For the past 3 years, we have been detailing our Scope 3 emissions, which will also become part of our annual reporting.

In any tea operation, the efficient use of energy is critical to its sustainability credentials. At EPK, we conduct detailed energy audits to identify where our greatest energy demands are. By both employing energy-saving techniques and the continuous training of our staff, we strive to make further savings to our energy use.

TABLE OF ENERGY USE IN A TEA FACTORY. Thermal, electrical. Kwh/kg mt for each of the areas, withering, cutting, oxidation, drying, sorting and packing.

Chemomi Tea Factory Energy Use in 2024

		kWh/kg Made
Section	kWh/kg Made Tea	Теа
	electrical	thermal
Withering	0.167	1.25
Rolling	0.143	Nil
	0.022	N1:1
Oxidation	0.022	Nil
Drying	0.058	1.56
	0.050	1.50
Sorting and Packing	0.019	Nil
Boiler	0.024	Nil
Total	0.433	2.81

## Governance

#### • Our Human Rights Framework

EPK believes that businesses flourish where human rights are protected and respected, with remedies available. The company is committed to protecting and respecting the dignity, wellbeing and human rights of our employees and the community in which we operate.

The company upholds internationally recognised human rights in line with the principles and guidance contained in the UN Guiding Principles on Business and Human Rights, including those set out in the International Bill of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work.

Our Human Rights Framework provides a platform through which grievances can be received, investigated and addressed systematically and transparently. *Tweguu Akase* (Talk to me, I'm listening) is our operational grievances mechanism. It consists of two separate components, each with its own procedure.

- Tier 1: is a company-managed process for grievances that concern impacts that may occur during the normal course of business operations and can be handled and resolved by EPK staff.
- Tier 2: is an Independent Human Rights Mechanism (IHRM) for grievances that concern allegations of severe human rights impacts that have been caused by, contributed to, or are directly linked with EPK or its business partners.

## • Embedding the UN Guiding Principles on Business and Human Rights

Embedding the UN Guiding Principles (UNGP) on Business and Human Rights is a continuous process and by no means a simple one. The complex situations which we all face should not mean that we shy away from our commitment to uphold these principles.

In line with the Ruggie principles, we asked international experts to undertake an Independent Human Rights Due Diligence which involved thousands of our employees and local community stakeholders. This process allowed us to map out both the actual and potential Human Rights impacts that we have contributed to, have caused or are linked to.

Our Independent Operational Level Grievance Mechanism, which is called *Tweguu Akase* (talk to me, I'm listening), is responsive to these salient issues and is headed by highly regarded experts who report directly to the Company's Board of Directors.

We believe that multiple access routes and offsite offices create the correct environment for grievances to be reported and dealt with in a confidential, supportive and sensitive manner.

EPK's Board has also commissioned a Business & Human Rights subject matter expert to act as an Independent Monitor, providing an annual report on the effectiveness of our mechanisms.

We are not perfect, but by doing what we are doing proactively and collaboratively, we can continue to address the challenges.

Note: We'll need to develop this further in line with what has been done for Kakuzi, and add a case study

## • Our work around Gender-Based Violence and Harassment

Gender-Based Violence and Harassment (GBVH) has no place in our operations. Over the last 5 years, we have created measures designed to educate and mitigate GBVH and Sexual Harassment in both our operations and surrounding communities.

We take all allegations seriously and treat them with the sensitivity and supportive response they require. We have employed the services of internationally recognised experts to create these processes, oversee their implementation and advise us on how we can do more.

We work with thousands of people daily in our tea operations and unfortunately, there will be incidents where employees or other people we engage with do not uphold the values we aspire to. This means that we must put in place systems to address grievances if or when they occur.

In line with the UN Guiding Principles, and after considerable stakeholder engagement, our Human Rights experts have created independent operational-level grievance mechanisms (OGM) designed to investigate and remedy grievances in a confidential, sensitive and rights-based manner. Our OGM's are staffed by independent experts who are empowered to provide medical, psychological and legal support to any person claiming they are a victim of anything that our operations have caused, contributed to or are linked to.

The underlying issues we face are complex by nature and can only be addressed through a process of continual reflection, adaptation and mitigation. Training and awareness creation also play a critical role in mitigating GBVH, in an average year we train over 2,000 employees and community members in this critical area.

# Modern Slavery Act

We acknowledge that our responsibility as a business goes beyond our operations, and to this effect we continuously build, with our partners, ways to keep track of our entire supply chain code of conduct, beyond what we have as EPK within our operations.

We are all responsible for respecting human rights in the supply chain and as the customer of many thousands of tons of green leaf from our partner tea growers, EPK also has to play its role.

# ★ Traceability

# EPK Out-Growers Traceability Application

## Introduction

With so many partner growers, supply Chain Due-Diligence is an important aspect of what we do. A good traceability solution drives companies to achieve sustainability goals and build consumer trust.

## I. EPK Traceability System

The EPK traceability and farm inspection system addresses data collection, storage and analysis needs to comply with the requirements for sustainable agriculture standards as specified by RainForest Alliance (RFA). It also helps the company manage the supply chain responsibly to monitor and eliminate issues like modern-day slavery and climate change management.

The system comprises a traceability mobile app for field data collection and web-based backed software for storing, processing and presenting data. The system is used to gather baseline information of contracted farmers and their farm units including the spatial data of farm units, certified crop areas and other areas of interest. Besides meeting data and traceability requirements for RFA certification, the system focuses on improving the overall management of farmers and supporting extension services work.

To enhance the traceability and visualization of spatial data, the traceability system is integrated with Google Maps. This allows standardized visualization and sharing of spatial data. The system utilizes spatial data to compute farm areas and production areas. The system is customized to prepare group member registers and traceability maps as required during certification audits.

Whilst EPK cannot guarantee that these supply chains are completely free of slavery, human trafficking or forced labour, we are taking steps to give greater visibility of the employment practices within our supply chain. The partner grower traceability app being used is a good first step which we hope can be developed further through working with key partners in our supply chain.

We have undertaken training with our partner growers and this will continue. Our due diligence processes enable us to understand how our partners carry out their businesses, this helps us to determine the necessary level of support in upskilling and capability building.

#### Certifications

## • Rainforest Alliance

All our estates and factories have socio-environmental management systems and processes covering ecosystem conservation, wildlife protection, fair treatment and good working conditions for our employees, integrated waste management and good community relations.

#### • ISO 22000 accreditation

All our factories have established Food Safety Management systems to handle tea from the field through dispatch ensuring the product is fit for human consumption. Systems are in place to ensure the tea can be traced from garden to warehouse.

## • FAIRTRADE (Siret and Kibwari are Certified Processors and Exporters)

## • Ethical Tea Partnership (ETP)

As an ETP participant, we operate a business that is socially just and environmentally sustainable.

#### Our awards - to be populated

• ETI Base code: Supervisors Training, conducted in partnership with Twinings

## **Company Community Partnerships**

#### • Growing Partners/Partner Growers

We value the relationships with the communities in which we operate. With over 14,000 partner growers supplying both EPK and its managed clients, we have strong linkages into the tea growing neighborhoods.

Our model of economic empowerment is derived from our view that we all can benefit more by working together, each doing what they do best. EPK's expertise in tea manufacture, coupled with our partner growers expertise in plucking the finest quality of green leaf, makes for an enduring partnership.

In return, EPK pays the farmers what the market pays for the finished product, less the costs of manufacturing. This model of shared prosperity underpins the long-term partner grower relationship.

Our Communities – case studies come here

Quarterly reports will be uploaded here.