EASTERN PRODUCE KENYA LIMITED



Corporate Social Responsibility Report 2nd Quarter, 2020

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1. Current Significant Issues

Corona virus outbreak was reported in the country and all employees were trained on preventive measures to avoid infection and spread. All residents in the villages were sensitized and restriction on unnecessary movement and interaction put in place and emphasized. This includes adherence to curfew hours set by the government. Sensitization and trainings on hand hygiene, cough/sneeze etiquette and maintaining social distances were carried out.

Measures have been put in place to ensure swift and effective actions are taken should we get an outbreak within our operations. This includes development of protocols for monitoring implementation of set measures, identification of isolation units/spaces etc.

During the quarter, sensitization on prevention measures and understanding the disease has been ongoing. The work place continued to be safe with employees practicing hygiene measures. The number of hand-washing stations were increased around the work place and in the villages.

2. Update on Corporate Social Responsibility Plan Implementation

Progress on implementation of CSR activities has been good with coordination from technical department and the CSR committee. The CSR committee continued to meet on a quarterly basis to discuss community relations enhancement projects and implementation. Progress and updates of the community projects have been uploaded on social media platforms throughout the quarter.

We continued to align all our projects and activities to the Sustainable Development Goals (SDGs) demonstrating our commitment to care for our community and remaining relevant. Focus areas that have recorded good progress through CSR are SDGs 1 (No Poverty), 2 (Zero Hunger), 3 (Improved Health and well-being), 4 (Quality Education), 5 (Gender Equality), 6(Water and Sanitation) and 17 (Partnerships for the Goals)

3. Community Relations

Community projects implemented so far have made a positive impact to the communities leading to appreciation and good relations between the company and her neighbors.



Chief's Office furniture



3.1 Enhancing Food Security

During the quarter, Field Educators covered topics on nutrition focusing on information for vulnerable groups like the adolescents, the elderly, children below five years and expectant mothers. They also supported employees with maintenance of kitchen gardens to ensure consistent supply of vegetables for their families.



A child getting a Vitamin A supplement and a de-worming tablet

To Improve the health and immunity of children 0-59 months, we planned a series of Vitamin-A supplementation and deworming outreaches. This will help improve the immune system of the children as well as prevent childhood blindness. Health talks on food-based solutions were also conducted focusing on improving the child's diet – through increased consumption of vitamin A-rich foods, locally available like dark green vegetables, eggs and orange fruits and vegetables like pumpkins.

3.2 Education

We continued to promote lifelong learning opportunities for all as per the SDG 4 – Quality education through approval and provision of classroom furniture for schools. In quarter one; we planned to support 8 primary schools and 2 secondary schools with classroom furniture.





Classroom furniture donated to Chesuwe High school and Kaptagunyo primary school

During the second quarter we targeted 3 primary schools and 1 secondary school with classroom furniture. The classroom furniture will go a long way to support social distancing interventions as the country puts measures in place to address COVID-19.

3.3 Water

During the second quarter, we supported 4 schools with rain water harvesting, as a means of ensuring availability and sustainable water resource is accessed by the school.

Hand washing facilities were donated to 349 green leaf buying Centers, and smallholder tea farmers/community encouraged to wash their hands with soap and running water as a preventive measure from COVID19 infections. Three handwashing stations were also donated to various stations



around Nandi hills town to encourage regular hand washing practices. These three stations benefit the business community and bodaboda operators in town.



Rain water harvesting donated to St John's Secondary School

During the second quarter, we approved support of Rain water harvesting kits to 2 primary schools and 2 secondary schools. This is still work in progress.

In partnership with Taylors of Harrogate on COVID-19 Intervention, 5 health facilities are set to benefit with Rain Water Harvesting and handwashing stations set at strategic points at the different health facilities. This will improve handwashing practice and the health facilities.

3.4 Environment

During the second quarter, support to Samoei Secondary School environmental rehabilitation around the reparian area began, with assessments being carried out to determine number of seedlings to donate based on hecterage, types of tree seedlings to source and involvement of the school staff since the students are out.

3.4.1 Indigenous Forestry

The second quarter of the year has been a busy one from the indigenous forestry perspective. The good rains have assured good survival rates among the recently planted seedlings. All estates have performed their indigenous planting obligations more-or-less as per budget.

All of these plantings are infill plantings rather than the establishment of new indigenous areas. It can be a labour-intensive job, with the selected area first being slashed to clear existing undergrowth, prior to planting. The young seedlings are planted at about 4 metre spacing, giving 400 stems per hectare. However, unlike plantation forestry, no rows are used and the species mix is random. The one aspect of a truly natural forest that we cannot emulate is the variety of ages. In a truly natural forest, there is a wide spectrum of tree ages, from over mature and decaying to young seedlings. However, as we are planting under older trees, the result is a reasonable substitute.





Photos Indigenous planting of 2018 in foreground. Growing well due to successful weed control. And the Seeds of the Bersama abyssinica or Kibumetiet. Attractive to birds too.



Seed gathering continued during the second quarter, as did maintenance of prior planting. A monthly report by the Forestry Officer ensures that divisional managers are aware of what is required from them regarding maintenance. The result is improved survival and growth rates of the latest plantings.

The Company has been approached by a local secondary school to assist them with the enrichment of two indigenous forest areas on their premises, by way of a CSR project. The sites were inspected and a donation of 1000 indigenous seedlings – enough for over 2 hectares - from EPK's nurseries will result. However, one objective of the exercise was to have the planting works and maintenance done by the pupils. The COVID-19 pandemic has resulted in the closure of all schools in the country until 2021. At the time of writing, the road forward is unclear.

The COVID-19 contagion and the resultant travel restrictions have also delayed ambitions to forge stronger links with the conservation group Trees for Life.

3.5 Trainings/ Social audits

The training on Occupational Safety and health that was called off due to COVID-19 outbreak, has been scheduled to take place in third quarter. The training will be conducted online, considering COVID-19 infection prevention measures.

3.6 Extension Service Support

A mini field day was held in Savani, during the second quarter, demonstrating the use of a post hole digging machine in preparation for planting with 61 farmers attending, in groups – 4 groups in total. COVID-19 regulations applied that included Social-distancing of 1.5m, washing of hands and use of masks.

Topics covered ranged from nursery establishment, raising and maintenance of seedlings (C12), land preparation and planting.

A total of 230 holes were dug using 4 litres of petrol during the demonstration and 25 seedlings of clone C12 planted out.



A session on post hole digging

The extension team prepared for Rainforest Alliance audit for smallholders scheduled to take place in third quarter while issuance of fertilizer was successfully completed and excess sold to farmers.

3.6.1 Cluster Farms

During the quarter, Chemomi cluster farers increased by 43%, i.e. from 105 ha to 151ha.

Cluster farmers have benefitted from the program through better management, efficiency and transparency of their crop as well as ample collection time. Through targeted direct assistance from the extension officers, the farms have been able:



- i. To develop a management plan for continuous improvement of their farm operations,
- ii. Train their pluckers on proper plucking, table management, rounds management for improved yield
- iii. Received farm visits/inspections to ensure adherence to good agricultural practices

3.7 Roads and Bridges

More roads continue to be murramed and compacted in a bid to enhance networking. This is done in partnership with the County government of Nandi.

Transport of green leaf and other socio-economic income opportunities have been enhanced as well as linkage between villages, shopping centers and other socio-economic facilities





Photo showing Himaki Nandi Hills Road

3.8 COVID-19 RESPONSE

During the quarter, regular consultative and monitoring meetings continued to be held with the heads of departments giving guidance on best approaches to the pandemic. Isolation units continued to be prepared and estates are ready should community infections hit the company.

Protocols developed were tested through drills and the response from both employees and members of management from the estates responded well. Sessions on awareness of prevention measures have been conducted weekly in the different estates. Posters with different messages on prevention of COVID-19 were developed and both on social media platforms and on notice boards. Our SHARP program continued to run with a focus on reducing tension brought by curfews and restriction of movement that could easily lead to sexual, domestic and gender-based violence

Support to the County continued with provision of Intensive Care Units beds at Nandi Hills Sub County Hospital. The Koyo Health Centre was support by putting up a triaging unit to help in screening of patients as they get attended to at the health facility. Taylors of Harrogate partnered with us to support 5 health facilities with Rain water harvesting/storage and handwashing stations.





Photos showing display of COVID-19 and SHARP information at the work place and ICU beds being set up in Nandi hills Sub County hospital







Photos showing the Triaging unit at Koyo Health Centre

To support the children in the villages, we supported Kenya Institute of Curriculum Development (KICD) radio programs to ensure that the children have access to educational materials/content. Few cases of teenage pregnancies have been reported and have been handled case by case by the estate management. Efforts have been put in place with Field Educators to mentor the adolescent boys and girls on responsible behavior. Our partnership with Taylors of Harrogate has seen all adolescent girls get a supply of sanitary towels.





Photo showing Children participating in a Radio Lesson and A practical session on use of the motorized mist sprayers

Five motorized mist sprayers were bought and are made use of where need arises. 10 sprayers were identified and trained with coordination from our Compliance Manger and Public Health Officers from the County.

Isolation units across the estates were identified and renovated for isolation purposes should we have COVID-19 Outbreaks in the work place community.



Isolation units at Kaboswa - Operations Director from an inspection visit



3.9 Partnerships

3.9.1 Developments with Twinings Tea - UK

3.9.1 a) Expansion of health services for women in Twinings supply chain

- ☐ The pilot project to refurbish, equip and strengthen the capacity of Chepsire dispensary, that is already a beneficiary of Sireet OEP investment, commenced during the quarter.
- ☐ It is expected that the facility will be opened mid-August to test and tweak its operations and the official opening will be in September, 2020





Photo showing progress with refurbishment of the dispensary and Water Supply by Savani Estate

3.9.1 b) HER health Project

Though not actively, Peer Health Educators have been involved in shared correct messages on COVID-19 prevention measures.

3.9.2 Taylors of Harrogate supported Projects

3.9.2 a) Savani Secondary School Science laboratory Project:

The science laboratory project resources were availed in October 2019. The project has since commenced and by end of first quarter the contractor had completed foundation walling. By the end of the second quarter the contractor was at roofing level, setting up the trusses. The Project will be completed within the set timelines as the progress so far is good.





Photos showing work in Progress at Savani secondary School



4. Donations' Summary

Good community relations continued in the quarter. Appreciation from the community expressed through cards and letters to the CSR committee. Donations summary is as depicted in the table below. During the quarter we donated in cash and in kind, goods and services worth **Ksh.** 3,152,708.49

	EASTERN PRODUCE KENYA LIMITED SUMMARY OF DONATIONS QUARTER TWO, 2020											
Estate	Quarter 1 (Amount)	Quarter	2 (Amount)	Total								
Chemomi	503,079.60	376,371.2	20	879,450.80								
Nandi Office	188,810.97	86,324.40)	275,135.37								
Kaboswa	0.00	0.00		0.00								
Kibabet	29,250.00	2,250.00		31,500.00								
Savani	6,554.00	306,218.7	76	312,772.76								
Siret	874,846.95	77,540.00)	952,386.95								
Sitoi	0.00	0.00		0.00								
Kapsumbeiwa	42,678.00	166,332.6	52	209,010.62								
Kipkoimet	302,297.72	53,976.83	3	356,274.55								
Kepchomo	3,250.00	0.00		3,250.00								
GCW	0.00	0.00		0.00								
Kibwari	74,435.00	11,576.00)	86,011.00								
Kipkeibon	0.00	13,396.88	3	13,396.88								
Kaprachoge	3,383.00	30,136.56	5	33,519.56								
Grand total	2,028	3,585.24	1,124,123.25	3,152,708.49								

5. Key Performance Indicators

5.1 Business Integrity

So far, we have not received any written or verbal warnings, notices or complaints from law enforcement agents or government officials.

Internal audit department continued to do audits in different units and adverse issues discussed with concerned heads of departments.

5.2 Workplace

5.2.1 Employee Engagement

An increase (24%) in number of employees was evident in our own estates, and 25% increase in managed estates during the second quarter 2020 compared to 2019 similar period. This is attributed to more crop on offer in 2020 compared to 2019 similar period.

		Table sh	owing N			PRODU(yees (ex				n 2012 to 2020					
	2012 2013 2014 2015 2016 2017 2018 2019 2020 compared to 2019														
January	6349	7156	6214	7128	6994	5905	5718	5493	5921	8%					
February	4188	6952	5715	5207	6735	4653	5051	4171	6131	47%					
March	3628	6899	6313	4009	6050	5195	5080	4511	5949	32%					
April	3696	7636	6589	4760	6247	5350	6058	3363	6017	79%					
May	6293	7692	6718	7018	7028	6284	6501	4572	5881	29%					
June															
AVERAGE															



		Table sh						- Manage managem	ed Estates ent) from 20	12 to 2020					
	2012 2013 2014 2015 2016 2017 2018 2019 2020 Compared to 2019														
January	1768	1990	1941	2110	1942	2264	1771	1560	1680	8%					
February	1232	1876	1771	1546	1856	1569	1575	1296	1763	36%					
March	984	1970	1759	1114	1738	1876	1280	1065	1682	58%					
April	1081	2190	1818	1323	1734	1578	1558	1000	1712	71%					
May	1766	2294	2146	2043	1985	1861	1713	1445	1686	17%					
June	·														
AVERAGE	1100 1200 1201 1201 1201 1201 1201 1201														

5.2.2 Sick Leave

The table below indicates the sick leave figures from 2012 to 2020. So far 90% increase is observed in average number of sick leave days taken in own estates and 86% increase in managed estates figures compared to 2019 similar period.

				Table s				IYA LIMI s from 2	TED 012 to 2020)					
	2012 2013 2014 2015 2016 2017 2018 2019 2020 Compared to 2019														
January	548	561	523	843	868	410	335	323	318	-2%					
February	290	382	411	460	650	313	262	222	466	110%					
March	397	641	455	421	617	389	364	150	437	191%					
April	352	666	573	520	840	400	551	252	430	71%					
May	496	928	669	563	891	597	613	231	457	98%					
June	698	670	549	982	1255	549	762	242	585	142%					
AVERAGE	AVERAGE 463 641 530 631 853 443 481 236 449 90%														

	EASTERN PRODUCE KENYA LIMITED - Managed Estates Table showing sick leave figures from 2012 to 2020													
	2012 2013 2014 2015 2016 2017 2018 2019 2020 compared to 2019													
January	170	207	233	224	250	128	95	94	129	37%				
February	84	144	69	136	172	72	80	24	70	192%				
March	79	158	93	119	235	142	85	51	105	106%				
April	77	193	116	295	233	169	116	83	324	290%				
May	107	248	182	171	195	193	127	107	98	-8%				
June	238	238	179	259	299	196	169	126	170	35%				
AVERAG E	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1													

5.2.3 Casual Leave

There was an increase (12%) in average number of casual leave taken in our own estates and (41%) increase in Managed estates compared to 2019 similar period.

			Та	_		PRODUC ual leave			D 12 to 2020					
	2012 2013 2014 2015 2016 2017 2018 2019 2020 Compared to 2019													
January	1584	1652	2361	2395	2823	2063	2706	2029	1884	-7%				
February	746	1844	2137	1604	2572	1192	2492	1230	1902	55%				
March	578	2812	2296	1001	2334	1972	2145	901	1865	107%				
April	531	2312	2206	1281	3147	1631	2186	1318	949	-28%				
May	1127	2914	2679	1726	2995	2402	2669	972	1164	20%				
June	'' 													
AVERAGE														



								ED - Managed res from 2012							
	2012 2013 2014 2015 2016 2017 2018 2019 Percentage change in 2020 compared to 2019														
January	575	414	515	605	824	556	563	347	383	10%					
February	366	374	382	270	771	296	319	231	418	81%					
March	126	528	350	178	526	293	239	125	371	197%					
April	166	746	338	167	481	299	224	187	82	-56%					
May	241	742	427	266	522	429	467	145	207	43%					
June	340	765	509	947	754	501	412	147	199	35%					
AVERAGE	VERAGE 302 594 420 405 646 395 370 197 390 41%														

5.2.4 Absenteeism

The absenteeism figures decreased by 58% in our own estates and decreased 12% in managed estates in 2020 compared to 2019 similar period.

	EASTERN PRODUCE KENYA LIMITED Table showing Absenteeism figures from 2012 to 2020														
2012 2013 2014 2015 2016 2017 2018 2019 2020 compared to 2019															
Jan	536	262	215	234	227	274	911	511	132	-74%					
Feb	334	254	203	231	200	857	555	289	131	-55%					
Mar	233	306	248	144	143	822	779	386	136	-65%					
April	165	250	280	161	220	1013	577	183	158	-14%					
May	189	272	244	195	154	764	503	427	193	-55%					
June	June 277 405 197 229 1108 1036 1197 378 160 -58%														
AVERAGE															

			N PROD howing				•							
	Percentage change in 2020 compared 2012 2013 2014 2015 2016 2017 2018 2019 2020 to 2019													
January	363	216	410	380	93	188	147	147	193	31%				
February	125	208	304	311	181	139	211	269	183	-32%				
March	101	442	256	58	100	183	115	62	186	200%				
April	73	322	279	393	173	285	323	69	155	125%				
May														
June	,													
AVERAGE	160	343	317	314	131	232	239	174	187	-12%				



5.2.5 Occupational Health and Safety

Short term disability figures indicate total number of injuries that occurred to employees that warranted three days and above off duty. We note an increase (167%) in number of incidents in our own estates and a decrease (75%) in managed estates figures. The incidents have been investigated and relevant reports sent to appropriate bodies. Health and safety committees continue to be pro-active on safety matters.

			Та	ble show			CE KENYA ability figu		2012 to 2020					
	Percentage change in 2012 2013 2014 2015 2016 2017 2018 2019 2020 2019													
Jan	2	2	1	1	3	2	1	0	1	100%				
Feb	0	1	1	4	7	0	2	0	1	100%				
Mar	0	1	0	2	2	1	2	1	3	200%				
April	3	2	1	1	3	0	0	0	1	100%				
May	2	0	0	0	4	3	3	1	2	100%				
June	1	0	2	0	1	0	0	0	0	0				
TOTAL	8	6	5	8	20	6	8	2	8	167%				

			Ta					-	aged Estates) rom 2012 to 2020			
Percentage change i 2012 2013 2014 2015 2016 2017 2018 2019 2020 2019												
Jan	1	0	0	0	0	0	1	1	0	-100%		
Feb	1	0	1	0	0	1	0	0	0	0		
Mar	0	0	1	1	0	0	0	1	1	0		
April	0	0	0	1	1	0	0	1	0	100%		
May	0	0	0	0	1	1	1	0	0	0		
June	1	0	0	0	0	1	1	1	0	-100%		
TOTAL	3	0	2	2	2	3	3	4	1	-75%		

6. Fair-trade Premium

The table below summarizes the amount of fair-trade premium so far received by Sireet from 2012 to 2020. There was an increase (411%) in premium received.

LINTON PARK REGIONAL OFFICE SIREET OEP Fair-trade Premium (US\$) Comparison 2012 to 2020										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	Percentage change in 2020 compared to 2019
Jan	21,200	4,400	52,778	38,160	18,083.5	-	4,320	0	1,412	100%
Feb	-	3,560	50,890	26,000	7,700	2,880	0	0	0	-100%
Mar	6,300	15,520	56,730	66,600	80,590	168,126	0	1,440	4,570	217%
Apr		665	98,240	28,350	25,130	9,842	_	0	1,380	100%
May	12,540	61,920	50,280		44,140		-	0	0	-100%
···uy										
Jun	550	35,280	54,570	69,570	25,130	-	-	0	0	-100%
TOT AL	27,500	23,480	160,398	130,760	106,373.50	171,006	4,320	1,440	7,362	411%



7. Environment

Waste water analysis results received in the first quarter show that the factory effluent is within acceptable parameters.

All estates continued to implement and review their environmental and forestry management plans. Follow ups were done by the Technical Department.

Environmental Self Audit was conducted and a report shared to relevant authorities (NEMA) who approved the status.

8. Risk and Compliance Update

8.1 Update on risk and compliance management

Renewal of licenses and certificates were processed to meet January 2019 and other timelines due within the first quarter. Social environmental audits were done in the villages during the first quarter by the Social Environmental Advisor and issues raised addressed by the estates.

During the second quarter, training sessions and consultative meetings were held in relation to COVID-19 to ensure that compliance on food safety and work place safety procedures are in place and are effective.

8.2 Risk and Compliance Incidents

There was no incident or activity which resulted in the occurrence of a risk or compliance event which is outside the agreed risk and compliance standards.

9. Work Plan and Focus Areas

EASTERN PRODUCE KENYA LIMITED WORK PLAN FOR CSR – QUARTER 3, 2020							
Date	Activity	Objective(s)					
July – Sept	Quarter 3 CSR Committee meeting	-To review requests and identify those to support -To review progress with actions from quarter 1 meeting					
2020	Monitor Progress on Partnership projects	-To Coordinate monitor and report progress of projects supported by partners					
	Assessment of CSR approved projects' progress	To assess and report progress with CSR approved projects to the CSR committee members					
	Document Sustainability cases studies and success stories	-To keep record of EPKs' Projects and contribution to sustainable development goals -to update our social media pages					
	SHARP Week	-To carry out approved activities to raise awareness on our SHARP program					
	Monitoring dispensaries supply of commodities and service provision on COVID19 prevention	-To ensure that supplies and commodities are stocked at the dispensaries and that our capacity to handle cases should they arise is covered.					
	Vitamin-A Supplementation and deworming outreach	To provide vitamin-A supplements and dewormers to children 0-59 months, to prevent childhood blindness and aid in growth and development					
	Preparation and dissemination of COVID19 Information, Education and Communication Materials (IEC)	-To ensure that accurate and factual information is shared and that all employees and their dependents together with our smallholders are well informed					
	Monitoring village welfare, children's KICD programs delivery and basic information						



-End-