

EASTERN PRODUCE KENYA LIMITED



Corporate Social Responsibility Report 2nd Quarter, 2021

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Technical Office

Nandi Hills



Village inspections conducted during the quarter by Technical showed that employees are keen on maintaining their kitchen gardens for a steady supply of vegetables.

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. During the 2nd quarter we supported 3 primary schools with 60 desks, that will benefit 120 pupils and 4 secondary schools with 20 lockers and 20 chairs that benefit 80 students.

As a result of our committed and continuous support to learning institutions, we have managed to raise teaching standards thus raising greater access to quality content in learning in Nandi County.



Classroom furniture donated to Kimolwo primary school in Savani catchment area

3.3 Water

During the quarter 2 institutions were supported with rain water harvesting, as a means of ensuring a sustainable water supply.

As a result of our support to clean and safe sanitation, we have improved equity, quality and relevance beyond education for girls and boys in schools, the marginalized children including the orphaned and those living with disability.



Photo showing a Rain Water Harvesting Kit - branded tank ready for installation at Lengubei Primary school

3.4 Sanitation

The CSR committee approved construction of 3 double door latrines in 3 primary schools.

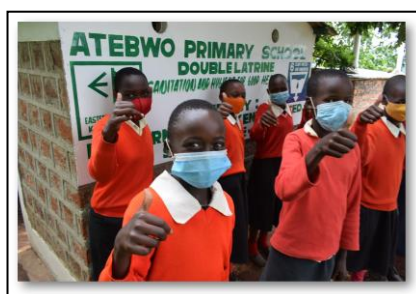
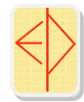


Photo showing a complete double door latrine handed over at Atebwo primary school



3.5 Environment

The TDM and the Company Director supported the County Government and Koitaleel University to mark World Environment Day by donating 500 indigenous tree seedlings and planted around the University compound.

3.5.1 Indigenous Forestry

Enrichment planting has caught up, aided by improved rains. We are now very slightly ahead of budget and, with the rains experienced at the time of writing, are confident that the budgeted hectares should be met by year's end.

Estates are still encouraged to plant as great a variety of seedlings as possible and, by and large, this is happening, with Siret planting some 23 indigenous species next to their Gashoka Dam.

The continuing monitoring of plantings – both indigenous and commercial – and the advising of the estates of maintenance needs on a monthly basis continues to prove its worth in terms of survival and growth rates

Sale of invasive trees (mostly *E. grandis*) in riparian area continues, but progress has been hindered by winning bidders not honouring their obligations. This is part of an ongoing program to rid all of the Company indigenous areas of foreign species, and is also in line with a Nandi Government instruction.

Besides our own planting, the Company assisted the Samoei University with advice, seedlings and labour in their own enrichment and establishment projects. This will add to indigenous forest cover in the Nandi Hills area.

3.6 Health

During the quarter, Health Service Providers were taken through Advanced First Aid at work focusing on life support.



Photo showing the Clinical Services team in a practical session on Oxygen use during and emergency

3.6 Trainings/ Social audits

3.6.1 a) Positive Parenting Training:

The Field Educators continued with training sessions on positive parenting, targeting 7 caregivers and 7 teenagers. The training sessions have been running once a week for 14 weeks. The participants will be graduating from the sessions in quarter 3 and new participants will be recruited. Employees participating in the program have reported improved relations with their children that has resulted to reduced stress and a healthy mental state of mind even when the children are at home alone or in school.



3.7 Extension Service Support

During the quarter, the extension team continued to support farmers with good agricultural practices for sustainably improved yield.

The Outgrowers department and Sireet OEP trained 60 clerks recruited from the community to carry out Rainforest Alliance farm inspections on smallholder tea farmers' farms.



Photo showing a training session in progress

Mini farmer field days were held in Chemomi and Savani respectively and Shed chairmen and transporters meetings were also held in all the 6 factories during the quarter. The agenda during these meetings included soil tests, fertilizer application among other crop husbandry practices.

3.8 Roads and Bridges

Our internal roads continued to be maintained by the estates. During the quarter, we received requests for road repair and maintenance by Area Members of County Assembly within our catchment area.

3.9 COVID-19 RESPONSE

During the quarter, meetings continued to be held with the heads of departments giving guidance on following all procedures set up by the company and the government. During these meetings, review and updates on preventative measures and control measures were discussed.

4.0 Partnerships

4.1.1 Developments with Twinings Tea - UK

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

Health service provision continues to take place at Chepsire Dispensary. The County Government officials continued to follow up registration of the facility with National Hospital Insurance Fund (NHIF). Once this is done the community will benefit more from the Universal Health care plan.

4.1.1 b) HER health Project

The erratic COVID19 positivity rates and new highly transmissible variants have stalled HER health training sessions both in Sireet OEP and EPK. This is because the sessions involve some external facilitators and participants moving from one station to another for the sessions. In some training venues, social distancing is a challenge.

4.1.2 Taylors of Harrogate supported Projects

4.1.2 a) Savani Secondary School Science laboratory Project:

Savani Secondary school continues to utilize the science laboratory. A visit by the Sub county Education Officers and the Quality Assurance and Standards Officer commended the company for continued support in education that has had a positive impact on staff development and becoming better educators.



5.0 Gender

During the quarter, we successfully submitted our application to join Target Gender Equality Initiative and our application was approved. This is a United Nations program aimed at strengthening the company's contribution to Sustainable Development Goal number 5. Our participation in this programme will give us an opportunity to learn and demonstrate our commitment measure progress on gender equality to ourselves and our stakeholders. The programme commences in June 2021 and will run to March 2022. The first phase of the program was participating in the UN Global Compact Leaders Summit, where various segments laid down solutions to advancing gender equality in work places.

6.0 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. 2,665,625.02**

EASTERN PRODUCE KENYA LIMITED			
SUMMARY OF DONATIONS QUARTER TWO, 2021			
Estate	Quarter 1 (Amount)	Quarter 2 (Amount)	Total
Chemomi	127,413.52	88,726.91	216,140.43
Nandi Office	88,032.80	199,144.61	287,177.41
Kaboswa	0.00	0.00	0.00
Kibabet	5,100.00	28,050.00	33,150.00
Savani	453,327.02	88,930.00	542,257.02
Siret	230,241.00	599,736.00	829,977.00
Sitoi	1,080.00	0.00	1,080.00
Kapsumbeiwa	247,890.46	344,168.50	592,058.96
Kipkoimet	68,682.20	0.00	68,682.20
Kepchomo	3,250.00	9,750.00	13,000.00
GCW	0.00	0.00	0.00
Kibwari	45,000.00	9,286.00	54,286.00
Kipkeibon	13,344.00	0.00	13,344.00
Kaprachoge	14,472.00	0.00	14,472.00
Grand total	1,297,833.00	1,367,792.02	2,665,625.02



8.0 Key Performance Indicators

8.1 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.

8.2 Workplace

8.2.1 Employee Engagement

A decrease (11%) in number of employees was evident in our own estates, and 12% decrease in managed estates in 2020 compared to the same period in 2021. This is attributed to labour management and factory annual maintenance.

EASTERN PRODUCE KENYA LIMITED											
Table showing Number of Employees (excluding management) from 2012 to 2021											
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Percentage change in 2021 compared to 2020
January	6349	7156	6214	7128	6994	5905	5718	5493	5921	5261	-11%
February	4188	6952	5715	5207	6735	4653	5051	4171	6131	4745	-23%
March	3628	6899	6313	4009	6050	5195	5080	4511	5949	5157	-13%
April	3696	7636	6589	4760	6247	5350	6058	3363	6017	5395	-10
May	6293	7692	6718	7018	7028	6284	6501	4572	5881	5634	-4
June	6969	7749	6664	7140	7213	7461	6773	6874	6054	5674	-6
AVERAGE	5187	7347	6368	5877	6711	5808	5863	4830	5992	5311	-11%

EASTERN PRODUCE KENYA LIMITED - Managed Estates											
Table showing Number of Employees (excluding management) from 2012 to 2021											
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Percentage change in 2021 compared to 2020
January	1768	1990	1941	2110	1942	2264	1771	1560	1680	1482	-12%
February	1232	1876	1771	1546	1856	1569	1575	1296	1763	1365	-23%
March	984	1970	1759	1114	1738	1876	1280	1065	1682	1481	-12%
April	1081	2190	1818	1323	1734	1578	1558	1000	1712	1499	-12
May	1766	2294	2146	2043	1985	1861	1713	1445	1686	1576	-7
June	2130	2239	2235	2151	1998	2198	1778	1896	1792	1682	-6
AVERAGE	1493	2093	1945	1714	1875	1891	1612	1377	1719	1514	-12%



8.2.2 Sick Leave

The table below indicates the sick leave figures from 2012 to 2021. So far, a decrease (2%) has been observed in the average number of sick leave days taken in own estates and 53% decrease in managed estates figures compared to 2020.

EASTERN PRODUCE KENYA LIMITED											
Table showing sick leave figures from 2012 to 2021											
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Percentage change in 2021 compared to 2020
January	548	561	523	843	868	410	335	323	318	406	28%
February	290	382	411	460	650	313	262	222	466	309	-34%
March	397	641	455	421	617	389	364	150	437	490	12%
Apr	352	666	573	520	840	400	551	252	430	399	-7
May	496	928	669	563	891	597	613	231	457	509	11
June	698	670	549	982	1255	549	762	242	585	520	-11
AVERAGE	463	641	530	631	853	443	481	236	448	438	-2%

EASTERN PRODUCE KENYA LIMITED - Managed Estates											
Table showing sick leave figures from 2012 to 2021											
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Percentage change in 2021 compared to 2020
January	170	207	233	224	250	128	95	94	129	42	-67%
February	84	144	69	136	172	72	80	24	70	36	-49%
March	79	158	93	119	235	142	85	51	105	63	-40%
Apr	77	193	116	295	233	169	116	83	324	78	-76
May	107	248	182	171	195	193	127	107	98	102	4
June	238	238	179	259	299	196	169	126	170	99	-42
AVERAGE	125	198	145	200	230	150	112	80	149	70	-53%

8.2.3 Casual Leave

There was an increase (26%) in average number of casual leave taken in our own estates and 32% increase in Managed estates compared to 2020 similar period.

EASTERN PRODUCE KENYA LIMITED											
Table showing Casual leave figures from 2012 to 2021											
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Percentage change in 2021 compared to 2020
January	1584	1652	2361	2395	2823	2063	2706	2029	1884	2142	14%
February	746	1844	2137	1604	2572	1192	2492	1230	1902	1455	-24%
March	578	2812	2296	1001	2334	1972	2145	901	1865	2179	17%
Apr	531	2312	2206	1281	3147	1631	2186	1318	949	1588	67%
May	1127	2914	2679	1726	2995	2402	2669	972	1164	1830	57%
June	1893	3039	2098	2910	3513	2644	2594	1568	1240	2186	76%
AVERAGE	1076	2428	2296	1819	2897	1984	2465	1336	1500	1896	26%

EASTERN PRODUCE KENYA LIMITED - Managed Estates											
Table showing Casual leave figures from 2012 to 2021											
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Percentage change in 2021 compared to 2020
January	575	414	515	605	824	556	563	347	383	303	-21%
February	366	374	382	270	771	296	319	231	418	328	-22%
March	126	528	350	178	526	293	239	125	371	447	20%
Apr	166	746	338	167	481	299	224	187	82	283	245%
May	241	742	427	266	522	429	467	145	207	387	87%
June	340	765	509	947	754	501	412	147	199	449	126%
AVERAGE	302	594	420	405	646	395	370	197	276	366	32%



8.2.4 Absenteeism

The absenteeism figures increased by 12% in our own estates and decreased 53% in managed estates in 2021 compared to 2020 similar period.

EASTERN PRODUCE KENYA LIMITED											
Table showing Absenteeism figures from 2012 to 2021											
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Percentage change in 2021 compared to 2020
Jan	536	262	215	234	227	274	911	511	132	133	1%
Feb	334	254	203	231	200	857	555	289	131	134	2%
Mar	233	306	248	144	143	822	779	386	136	137	1%
Apr	165	250	280	161	220	1013	577	183	158	160	1%
May	189	272	244	195	154	764	503	427	193	227	18%
June	277	405	197	229	1108	1036	1197	378	160	224	40%
AVERAGE	289	291	231	199	342	794	753	362	151	169	12%

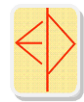
EASTERN PRODUCE KENYA LIMITED - Managed Estates											
Table showing Absenteeism figures from 2012 to 2021											
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Percentage change in 2021 compared to 2020
January	363	216	410	380	93	188	147	147	193	80	-59%
February	125	208	304	311	181	139	211	269	183	52	-72%
March	101	442	256	58	100	183	115	62	186	30	-84%
Apr	73	322	279	393	173	285	323	69	155	93	-40%
May	83	422	414	576	106	240	277	268	116	98	-16%
June	218	451	244	166	137	362	361	234	82	77	-6%
AVERAGE	160	343	317	314	131	232	239	174	152	71	-53%

8.2.5 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 a decrease (25%) in number of incidents in our own estates and a decrease (100%) in managed estates figures. Health and safety committees continue to be pro-active on safety matters.

EASTERN PRODUCE KENYA LIMITED											
Table showing Short Term Disability figures from 2012 to 2021											
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Percentage change in 2021 compared to 2020
Jan	2	2	1	1	3	2	1	0	1	1	0%
Feb	0	1	1	4	7	0	2	0	1	0	-100%
Mar	0	1	0	2	2	1	2	1	3	2	-33%
Apr	3	2	1	1	3	0	0	0	1	0	-100%
May	2	0	0	0	4	3	3	1	2	2	0%
June	1	0	2	0	1	0	0	0	0	1	100%
TOTAL	8	6	5	8	20	6	8	2	8	6	-25%

EASTERN PRODUCE KENYA LIMITED (Managed Estates)											
Table showing Short Term Disability figures from 2012 to 2021											
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Percentage change in 2021 compared to 2020
Jan	1	0	0	0	0	0	1	1	0	0	0%
Feb	1	0	1	0	0	1	0	0	0	0	0%
Mar	0	0	1	1	0	0	0	1	1	0	-100%
Apr	0	0	0	1	1	0	0	1	0	0	0%
May	0	0	0	0	1	1	1	0	0	0	0%
June	1	0	0	0	0	1	1	1	0	0	0%
TOTAL	3	0	2	2	2	3	3	4	1	0	-100%



9. Fair-trade Premium

The table below summarizes the amount of fair-trade premium so far received by Sireet from 2012 to 2021. There was an increase (3%) in premiums received compared to similar period last year.

LINTON PARK REGIONAL OFFICE SIREET OEP Fair-trade Premium (US\$) Comparison 2012 to 2021											
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Percent age change in 2021 compar ed to 2020
Jan	21,200	4,400	52,778	38,160	18,083.5	-	4,320	0	1,412	0	-100%
Feb	-	3,560	50,890	26,000	7,700	2,880	0	0	0	0	0%
Mar	6,300	15,520	56,730	66,600	80,590	168,126	0	1,440	4,570	7,614.70	67%
Apr	-	665	98,240	28,350	25,130	9,842	-	0	1,380	0	-100%
May	12,540	61,920	50,280	-	44,140	-	-	0	0	0	0%
June	550	35,280	54,570	69,570	25,130	-	-	0	0	0	0%
TOT AL	40,590	121,345	363,488	228,680	200,773.50	180,848	4,320	1,440	7,362	7,614.70	3%

10. Environment

Waste water analysis results received in the 2nd quarter show that factory effluent is within acceptable limits, with the exception of biological and chemical oxygen demands.

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

11. Risk and Compliance Update

11.1 Update on risk and compliance management

During the quarter, consultative meetings were held to ensure that compliance on food safety and work place safety procedures are in place and are effective.

An unannounced food safety audit was conducted and corrective action plans implemented.

11.2 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.



12. Work Plan and CSR Focus Areas

EASTERN PRODUCE KENYA LIMITED WORK PLAN FOR CSR – QUARTER 3, 2021		
Date	Activity	Objective(s)
July - September 2021	Quarter 3 CSR Committee meeting	-To review requests and identify those to support -To review progress with actions from quarter 1 meeting
	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
	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.
	Preparation and dissemination of COVID19 Information, Education and Communication Materials	-To ensure that accurate and factual information is shared and that all employees and their dependents together with our smallholders are well informed
	HERO Project	-Develop HERO project budget and implementation plan
	Prepare CSR budget for 2022	- To have an aligned stakeholder and Environmental, Social and Governance value of the CSR programs

-End-