

EASTERN PRODUCE KENYA LIMITED



Corporate Social Responsibility Report 3rd Quarter, 2021

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Nandi Hills



1. Current Significant Issues

We continued to sustain jobs and stand by our obligation to ensure that decent work (Fair treatment and good working conditions), other social issues (like worker anxiety and stress), and health are monitored and maintained to company, national and international standards, against the background of COVID19. The Impactt team carried out a social health survey during the second quarter. This stirred different emotions amongst employees, the managers and the community. We expect to use their reports to improve the work environment and develop an Operational Grievance Mechanism. In the third quarter we had Triple A Alliance visit EPK to help break down Impactt's report. They highlighted in principle our social risk exposures and the basic strategic engagement tools that we can apply when engaging with stakeholders to mitigate the social risks and optimize opportunities. As a result, the Compliance Manager has been supporting the Estates to form Tier 1 Grievance Committees in line with Rain forest Alliance, as well as conducted trainings for the same.

2. Update on Corporate Social Responsibility Plan Implementation

Progress on implementation of CSR activities has been good, with good coordination from the CSR committee. CSR committee meeting was held, focusing on community relations enhancement projects and implementation.

Progress and updates of the community projects have been uploaded on social media platforms throughout the quarter, raising our profile high in the community and as a result fostering good will that enables us to continue to trade.

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 3 (Improved Health and well-being), 4 (Quality Education), 5 (Gender Equality), 6 (Water and Sanitation), 13 (Climate Action) 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 our neighbouring communities. The table below summarizes projects carried out during the third quarter:

3 rd quarter CSR Approved Projects								
Project Items	120 desks	2 double door latrines	Timber	4 RWH kits	3 set Office furniture	3 Volley balls	4 lightning arrestors	60 lockers & chairs
Beneficiary institutions	Kilibwoni Pri Sch St' Joseph's Kipsirwa Kapchuriai Pri Sch Nukiat Pri Sch Kaborogin Pri Sch Aic O'langata Pri Sch	Kipkoror Ecde Kosoiywo Chief's Office	Kipkoror Pri Sch	Cheptuingeny Pri Sch Nandi Hills Pri Chepsire Vocational Cheptabach Pri Sch	Kosirai Chief's Office Tiryo Chief's Office Chepkongony Location	Kaputi Volley Ball Team	Chepkoiyo Primary Sch Kaptildil Shopping Centre	St Johns Chepkunyuk Sec School Kiptegaa Secondary Kipsotoi Sec Sch



3.1 Food Security

EPK was invited to a stakeholders meeting on Food security in Nandi County. During this meeting EPK presented best practices on Kitchen Gardens establishment and maintenance. A simple yet effective way to address food insecurity in families.

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 3rd quarter we supported 6 primary schools with 120 desks, that will benefit 240 pupils and 3 secondary schools with 20 lockers and 20 chairs each that benefit 60 students. To support infrastructure, timber was donated to Kipkoror primary school for construction of their ICT classroom.

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.



Photos showing Classroom furniture donated to Chepkunyuk Sec School, Classroom furniture and computers donated to Kaptien Sec Sch and timber for roofing donated to Kipkoror Primary School

3.3 Water

During the quarter 4 learning 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.



3.4 Sanitation

The CSR committee approved construction of 2 double door latrines in 1 ECDE Centre and 1 local administration office.

3.5 Environment

3.5.1 Indigenous Forestry

This quarter was marked by continued enrichment planting and maintenance. Overall, the Company is comfortably ahead of budget, although one estate is lagging behind at the time of writing, but should complete their obligations during Q4.

Indigenous enrichment 2021			
Estate	Budget Plan	Actual done	Species
Kibabet	3.23	8.7	12
Kapsumbeiwa	9.8	8.52	14
Kipkoimet	1.5	1.5	13
Kepchomo	15.69	17.72	21
Siret	6	6.5	23
Kaboswa	3	11.67	16
Sitoi	5	5	20
Chemomi	3.6	3.6	7
Savani	4.5	3.8	11
Sum	52.32	67.01	

Maintenance of the newly planted areas continues – mostly slashing weed regeneration – which ensures the seedlings have the best start possible. Good rains during the quarter have assisted in this regard. It is gratifying to note the speed with which some of these indigenous trees are growing. Estates with poor species diversification are being encouraged to improve.

The search for suitable indigenous seed is a perpetual one, not assisted by changing weather patterns which are making flowering and seeding less predictable.

In order to improve their visual appeal, we are also looking into the planting of suitable indigenous species in the newly planted tea fields. This must be approached carefully to avoid interfering with machine harvesting productivity. Nurseries are letting selected seedlings grow on to whip size so that, when planted, they will rise above the tea all the better to promote growth.

3.6 Health

We received 602 bales; each containing 40 pieces of Insecticide treated nets in our Chemomi and Kapsumbeiwa stores from the Public Health Department, Nandi County. These were to be distributed to all our employees.

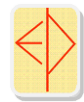
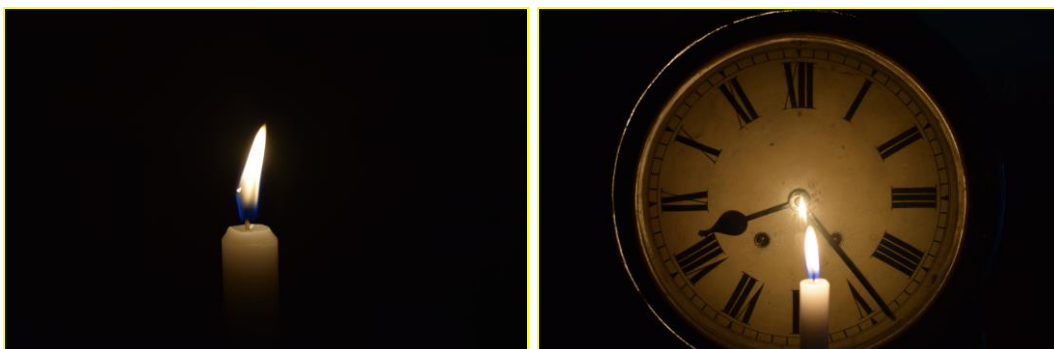


Photo showing nets distribution and use demonstration exercise

We marked World Suicide Prevention day during the quarter by raising awareness and lighting a candle as a symbol for shining the light to those who are suffering from suicidal thoughts and those who have lost loved ones out of suicide. This event marked the start of a month-long Mental Health Awareness observance in the Company to be commemorated in the forth quarter by a walk.



Photos showing submitted photos of lit candles by employees to mark the day

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.



Photo showing parent and child during a graduation ceremony in Savani.

3.6.1 b) Occupational First Aid training

143(47F,96M) were trained on first aid during the quarter to help them deal with emergency incidents both in the workplace and at home.

3.7 Extension Service Support

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



Photo showing farmer engagement meetings



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. Kipkoror road is currently under repair through CSR with the objective of improving the roads network for the smallholder tea farmers and other community members.

3.9 COVID-19 RESPONSE

During the quarter, guidance on adherence to procedures set up by the company and the government was provided to workers. There was good response to the COVID19 Vaccine drive that saw a majority of our employees turn up for the vaccine.

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 that includes 'linda mama' for maternal child health.

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. Discussions will be held on way forward during the next quarter.

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

Having successfully submitted our application to join Target Gender Equality Initiative, we have continued to receive a platform to showcase our programs 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. As a follow up from the UN Global Compact leaders' Summit, EPK was invited to speak in a Gender Equality, Diversity and Inclusion Workshop. The platform gave EPK an opportunity to share insights and best practices that inspired many organizations to act by implementing their policies to advance women's empowerment.

In line with RA, Gender committees have been formed in the group per estate. These committees will receive internal training in order to carry out their mandate.



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. 4,999,225.08**

EASTERN PRODUCE KENYA LIMITED				
SUMMARY OF DONATIONS QUARTER THREE, 2021				
Estate	Quarter 1 (Amount)	Quarter 2 (Amount)	Quarter 3 (Amount)	Total
Chemomi	127,413.52	88,726.91	337,430.96	553,571.39
Nandi Office	88,032.80	199,144.61	306,760.00	593,937.41
Kaboswa	0.00	0.00	0.00	0.00
Kibabet	5,100.00	28,050.00	15,300.00	48,450.00
Savani	453,327.02	88,930.00	64,703.40	606,960.42
Siret	230,241.00	599,736.00	628,122.00	1,458,099.00
Sitoi	1,080.00	0.00	145,597.62	146,677.62
Kapsumbeiwa	247,890.46	344,168.50	406,955.22	999,014.18
Kipkoimet	68,682.20	0.00	361,272.00	429,954.20
Kepchomo	3,250.00	9,750.00	32,703.00	45,703.00
GCW	0.00	0.00	0.00	0.00
Kibwari	45,000.00	9,286.00	14,566.86	68,852.86
Kipkeibon	13,344.00	0.00	12,219.00	25,563.00
Kaprachoge	14,472.00	0.00	7,970.00	22,442.00
Grand total	1,297,833.00	1,367,792.02	2,333,600.06	4,999,225.08



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 (9%) in number of employees was evident in our own estates, and 11% 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%
July	6416	6790	6846	6563	7175	7569	6221	6101	5471	5501	1%
August	7426	6769	6900	6651	7057	7072	5884	6188	5690	5051	-11%
Sept	6924	6415	6672	6138	6789	6943	5666	5683	5278	5200	-1%
AVERAGE	5765	7117	6514	6068	6809	6270	5883	5217	5821	5291	-9%

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%
July	1858	2094	2204	1883	2113	2049	1713	1746	1782	1493	-16%
August	2096	2003	2282	1916	2008	1948	1737	1817	1556	1452	-7%
Sept	2008	2094	2154	1819	1905	1968	1750	1706	1563	1552	-1%
AVERAGE	1658	2083	2034	1767	1919	1923	1652	1503	1690	1509	-11%

8.2.2 Sick Leave

The table below indicates the sick leave figures from 2012 to 2021. So far, an increase (4%) has been observed in the average number of sick leave days taken in own estates and 25% 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
July	741	771	799	878	949	874	603	410	529	574	9%
August	680	670	920	918	1079	693	583	380	475	674	42%
Sept	728	633	833	872	954	619	463	394	538	523	-3%
AVERAGE	547	658	636	717	900	538	504	289	471	489	4%

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
July	258	262	199	181	206	191	146	210	189	162	-14%
August	226	186	313	206	180	215	125	162	64	198	209%
Sept	183	225	337	205	118	202	338	250	92	154	67%
AVERAGE	158	206	191	199	209	167	142	123	138	104	-25%

8.2.3 Casual Leave

There was an increase (40%) in average number of casual leave taken in our own estates and 41% 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%
July	1869	2499	2999	2898	2480	4714	2485	2669	1480	2519	70%
August	2564	2457	3429	3149	4767	3446	2446	2382	1387	2821	103%
Sept	2895	2490	2963	2056	2828	3160	2487	2111	1433	1841	28%
AVERAGE	1531	2446	2574	2113	3051	2580	2467	1686	1478	2062	40%

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%
July	663	774	497	563	567	815	489	490	291	391	34%
August	636	771	788	802	824	717	441	363	246	612	149%
Sept	723	868	637	597	649	776	380	406	343	393	15%
AVERAGE	426	664	493	488	657	520	392	271	282	399	41%



8.2.4 Absenteeism

The absenteeism figures increased by 13% in our own estates and decreased by 46% 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%
July	241	220	287	229	6864	1101	536	333	142	150	6%
Aug	366	249	228	222	431	961	427	60	141	168	19%
Sept	269	261	1257	292	368	969	504	188	187	220	18%
AVERAGE	290	275	351	215	1079	866	665	306	153	173	13%

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%
July	139	303	347	446	1361	162	439	284	119	90	-24%
August	283	315	399	412	207	381	309	266	119	120	1%
Sept	253	335	353	102	120	307	261	226	109	36	-67%
AVERAGE	182	334	334	316	275	249	271	202	140	75	-46%

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 (18%) in number of incidents in our own estates and a decrease (50%) 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%
July	1	1	5	3	1	0	0	4	1	0	-100%
August	1	2	0	1	2	2	1	2	2	3	50%
Sept	2	1	1	3	1	3	0	2	0	0	0%
TOTAL	12	10	11	15	24	11	9	10	11	9	-18%

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%
July	1	0	1	0	0	0	0	0	0	1	100%
Aug	1	0	0	0	0	0	0	0	0	0	0%
Sept	2	1	0	2	0	1	0	1	1	0	-100%
TOTAL	7	1	3	4	2	4	3	5	2	0	-50%

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 (193%) 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 compared 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%
July	15,550	91,400	-	-	-	7,700	-	-	540	6550.80	1113%
Aug	22,680	89,210	50,160	27,610	37,030	570	4,320	-	0	7400	100%
Sept	23,080	44,216	50,440	25,460	40,120	-	-	37,990	915	0	-100%
TOTAL	101,900	346,171	464,088	281,750	277,924	189,118	8,640	39,430	7,362	21,565.50	193%

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.

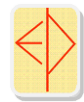
11. Risk and Compliance Update

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.

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 4, 2021		
Date	Activity	Objective(s)
Oct-Dec 2021	Quarter 4 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.
	HERO Project	-Discuss and make an implementation decision plan
	Prepare end year Social Compliance Newsletter	-To have an aligned stakeholder and Environmental, Social and Governance value of the CSR programs

-End-