

EASTERN PRODUCE KENYA LIMITED



Corporate Social Responsibility Report 4th Quarter, 2020

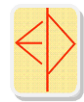
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Technical Office

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1. Current Significant Issues

COVID19 overshadowed the year to a great extent, but EPK's commitment to sustainable business practices and recognition of our license to trade guided us as we continued to consolidate gains in line with the sustainable development goals (SDGs).

2. Update on Corporate Social Responsibility Plan Implementation

Progress on implementation of CSR activities has been good, with coordination from the CSR committee. CSR committee meetings were held quarterly, 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 and year.

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 neighbours, as demonstrated in the reports below:



Photo showing constructed Chepkunyuk's location office

3.1 Enhancing Food Security

During the quarter, Field Educators supported employees with maintenance of kitchen gardens to ensure consistent supply of vegetables for their 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 for schools. During the 4th quarter we supported 3 primary schools with 60 desks, that will benefit 120 pupils.



Classroom furniture donated to Kipchabo primary school

3.3 Water

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



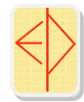
Photo showing a pupil of Chepkunyuk Primary school washing his hands with a fellow pupil looking on.

3.4 Environment

During the fourth quarter, follow up and monitoring of the environmental rehabilitation initiatives at Koitalel Samoei University and Samoei Secondary school was carried out by the TDM and Forester.



The Outgrowers Department team joined Technical Department Team in a Tree planting activity at Koitalel Samoei University



3.4.1 Indigenous Forestry

All-in-all some 43,000 indigenous trees and shrubs were planted on EPK and Managed Clients lands during the year. The vast majority of these were used to enrich the existing indigenous forest area, both in terms of trees per hectare and variety of species. Again, good rains have boosted both the survival and growth rate of this year's plantings, and increased focus by management on post planting care and maintenance has also been a boon.

Work is still ongoing to increase varieties of seedlings available and not just the 'usual suspect' species whose seed is both readily available and easily germinated.

The rooting box trial mentioned in the previous report has not been a success, with no root development whatsoever after 6 months in situ. Whilst a disappointment, this is not a calamity.

There has been an increase in efforts to remove 'volunteer' exotic species from indigenous areas. Mostly these are self-seeded *Eucalyptus grandis* from adjacent plantations. As most of EPK's indigenous areas are riparian, the generally moist conditions can stimulate spectacular growth rates in the *E. grandis* trees, which can soon grow to alarming proportions. Where it is practical to fell and remove these invasive stems without causing too much damage, this is being done. In other areas they are being ring-barked which will ensure their slow demise.



Good weeding ensures the most vigorous growth and swift canopy closure.

3.5 Health

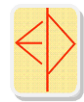
We had a primary focus on public health approaches in 2020 and during the 4th quarter a number of activities were carried out to improve health outcomes of employees and their dependents.

During the quarter, we partnered with Bethesda health care services limited and carried out diabetes and hypertension screening outreaches. Emphasis on healthy diet and physical activities was put across aimed at achieving a downward shift in risks of becoming hypertensive. A total of 2391 employees were reached during the 4th quarter. This health outreaches will continue in the first quarter, 2021 to ensure all employees have been reached.



Photo showing a health outreach session in Sitoi Division

Vitamin A supplementation and deworming exercises were also carried out. All children below 5 years were reached with Vitamin A, and their parents encouraged to take them to the health facilities for the same every 6 months. All children below 18 years were reached with de-wormers. During the long



school break, children missed out on deworming as it is a public health activity carried out in schools every term. Parents were also sensitized on importance of deworming children.

Tabasamu program continued during the quarter with trainings on menstrual health and hygiene taking place in all work places and in the villages. Adolescent girls and female employees received sanitary towels, to ensure \comfort during their menstrual periods.

Mental health messages were also shared during the quarter and mental health notes pinned at strategic points in the work place.

These public health approaches provided the company with an opportunity to prevent the costly cycle of managing health complications both in the work place and villages.

3.6 Trainings/ Social audits

Rainforest Alliance surveillance audit took place during the quarter. Corrective actions and areas of improvement were pointed out and addressed.

3.6 Extension Service Support

During the quarter, the extension team continued to monitor the new Short Messaging System (SMS) for efficiency.

3.7 Roads and Bridges

NTR

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.

Sessions on awareness of prevention measures continue to be conducted in the estates. Posters with different messages on prevention of COVID-19 were developed and both on social media platforms and on notice boards.

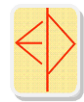
To support the children in the villages, we supported Kenya Institute of Curriculum Development (KICD) radio programs to ensure that the children have access to educational materials/content. A few cases of teenage pregnancies have been reported and have been handled case by case by the estate management.

Our partnership with Taylors of Harrogate had all adolescent girls get a supply of sanitary towels during the pandemic period.

SHARP messages were shared throughout the quarter focusing on reporting cases through various avenues.



A sensitization forum on SHARP reporting procedures in Kapkoros Divison in Savani Estate



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, was completed during the quarter and is now operational.



Photos showing external view of Chepsire Dispensary

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, 2020 the contractor had completed foundation walling. By the end of the second quarter, 2020 the contractor was at roofing level, setting up the trusses. During the third quarter, 2020 the contractor focussed on installation and painting of doors, windowpanes, ceiling boards, painting of the exterior and interior walls and fitting gutters.



external view of the science laboratory

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. 2,399,659.52** and total for the year **Ksh. 7,462,586.27**

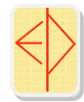
EASTERN PRODUCE KENYA LIMITED					
SUMMARY OF DONATIONS QUARTER FOUR, 2020					
Estate	Quarter 1 (Amount)	Quarter 2 (Amount)	Quarter 3 (Amount)	Quarter 4 (Amount)	Total
Chemomi	503,079.60	376,371.20	518,206.64	127,524.13	1,525,181.57
Nandi Office	188,810.97	86,324.40	294,552.04	157,815.00	727,502.41
Kaboswa	0.00	0.00	0.00	3,061.00	3,061.00
Kibabet	29,250.00	2,250.00	9,000.00	15,750.00	56,250.00
Savani	6,554.00	306,218.76	142,253.00	169,615.00	624,640.76
Siret	874,846.95	77,540.00	6,200.00	121,137.00	2,169,960.95
Sitoi	0.00	0.00	0.00	2,640.00	2,640.00
Kapsumbeiya	42,678.00	166,332.62	438,560.37	13,170.00	660,740.99
Kipkoimet	302,297.72	53,976.83	46,448.79	319,784.17	798,903.72
Kepchomo	3,250.00	0.00	183,336.85	38,986.00	225,572.85
GCW	0.00	0.00	0.00	0.00	0.00
Kibwari	74,435.00	11,576.00	185,977.52	144,284.00	416,272.52
Kipkeibon	0.00	13,396.88	2,642.36	94,873.87	110,913.11
Kaprachoge	3,383.00	30,136.56	6,644.48	100,782.35	140,946.39
Grand total	2,028,585.24	1,124,123.25	1,833,822.05	2,399,659.52	7,462,586.27

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.



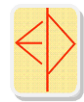
5.2 Workplace

5.2.1 Employee Engagement

An increase (7%) in number of employees was evident in our own estates, and 8% increase in managed estates in 2020 compared to the same period in 2019. This is attributed to more crop on offer in 2020 compared to 2019.

EASTERN PRODUCE KENYA LIMITED										
Table showing Number of Employees (excluding management) from 2012 to 2020										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	Percent age change in 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	6969	7749	6664	7140	7213	7461	6773	6874	6054	-12%
July	6416	6790	6846	6563	7175	7569	6221	6101	5471	-10%
August	7426	6769	6900	6651	7057	7072	5884	6188	5690	-8%
Sept	6924	6415	6672	6138	6789	6943	5666	5683	5278	-7%
Oct	6822	7366	7359	6980	6702	6616	5666	6092	5780	-5%
Nov	7309	7066	7598	7319	7086	6795	6052	6028	5909	-2%
Dec	7008	6646	7377	7144	8248	6513	5711	5805	5657	-3%
AVERAGE	6085	7094	6747	6338	6943	6363	5865	5406	5811	7%

EASTERN PRODUCE KENYA LIMITED - Managed Estates										
Table showing Number of Employees (excluding management) from 2012 to 2020										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	Percent age change in 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	2130	2239	2235	2151	1998	2198	1778	1896	1792	-5%
July	1858	2094	2204	1883	2113	2049	1713	1746	1782	2%
August	2096	2003	2282	1916	2008	1948	1737	1817	1556	-14%
Sept	2008	2094	2154	1819	1905	1968	1750	1706	1563	-8%
Oct	2040	2197	2251	2028	3469	3040	1597	1745	1646	-6%
Nov	2172	2124	2418	2080	3412	3143	1662	1769	1694	-4%
Dec	2127	2132	2233	2051	3778	2951	1637	1694	1606	-5%
AVERAGE	1771	2100	2101	1838	2328	2203	1647	1561	1680	8%



5.2.2 Sick Leave

The table below indicates the sick leave figures from 2012 to 2020. So far 43% increase has been observed in the average number of sick leave days taken in own estates and 2% decrease in managed estates figures compared to 2019.

EASTERN PRODUCE KENYA LIMITED										
Table showing sick leave figures from 2012 to 2020										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	Percent age change in 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%
July	741	771	799	878	949	874	603	410	529	29%
August	680	670	920	918	1079	693	583	380	475	25%
Sept	728	633	833	872	954	619	463	394	538	37%
Oct	638	618	805	823	862	453	444	441	511	16%
Nov	772	636	833	955	865	572	418	486	473	-3%
Dec	646	414	670	668	395	513	416	398	400	1%
AVERAGE	582	632	670	741	852	531	484	327	468	43%

EASTERN PRODUCE KENYA LIMITED - Managed Estates										
Table showing sick leave figures from 2012 to 2020										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	Percent age change in 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%
July	258	262	199	181	206	191	146	210	189	-10%
August	226	186	313	206	180	215	125	162	64	-60%
Sept	183	225	337	205	118	202	338	250	92	-63%
Oct	193	292	210	224	198	104	160	180	83	-54%
Nov	231	254	230	307	240	129	109	168	73	-57%
Dec	232	214	212	292	131	69	99	75	91	21%
AVERAGE	173	218	197	218	204	150	137	127	124	-2%



5.2.3 Casual Leave

There was a decrease (13%) in average number of casual leave taken in our own estates and (1%) increase in Managed estates compared to 2019.

EASTERN PRODUCE KENYA LIMITED Table showing Casual leave figures from 2012 to 2020										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	Percent age change in 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	1893	3039	2098	2910	3513	2644	2594	1568	1240	-21%
July	1869	2499	2999	2898	2480	4714	2485	2669	1480	-45%
August	2564	2457	3429	3149	4767	3446	2446	2382	1387	-42%
Sept	2895	2490	2963	2056	2828	3160	2487	2111	1433	-32%
Oct	1850	2008	2689	2785	2476	2193	1664	1701	1501	-12%
Nov	2779	2832	3724	3871	3901	3833	2348	2832	2347	-17%
Dec	1878	1605	2714	2663	1966	2890	1808	1889	1724	-9%
AVERAGE	1691	2372	2691	2361	2983	2678	2335	1800	1573	-13%

EASTERN PRODUCE KENYA LIMITED - Managed Estates Table showing Casual leave figures from 2012 to 2020										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	Percent age 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%
July	663	774	497	563	567	815	489	490	291	-41%
August	636	771	788	802	824	717	441	363	246	-32%
Sept	723	868	637	597	649	776	380	406	343	-16%
Oct	443	918	755	673	1203	463	275	303	377	24%
Nov	704	683	803	840	1668	818	421	575	475	-17%
Dec	554	383	555	539	519	467	329	361	337	-7%
AVERAGE	461	663	546	537	775	535	379	306	310	1%

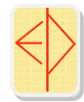


5.2.4 Absenteeism

The absenteeism figures decreased by 42% in our own estates and decreased 38% in managed estates in 2020 compared to 2019.

EASTERN PRODUCE KENYA LIMITED										
Table showing Absenteeism figures from 2012 to 2020										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	Percent age change in 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	277	405	197	229	1108	1036	1197	378	160	-58%
July	241	220	287	229	6864	1101	536	333	142	-57%
Aug	366	249	228	222	431	961	427	60	141	135%
Sept	269	261	1257	292	368	969	504	188	187	-1%
Oct	289	285	251	196	144	1030	518	128	146	14%
Nov	268	262	250	207	198	821	373	160	172	8%
Dec	342	236	218	217	1417	586	273	144	161	12%
AVERAGE	292	271	323	213	956	852	596	265	155	-42%

EASTERN PRODUCE KENYA LIMITED - Managed Estates										
Table showing Absenteeism figures from 2012 to 2020										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	Percent age change in 2020 compared 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	83	422	414	576	106	240	277	268	116	-57%
June	218	451	244	166	137	362	361	234	82	-65%
July	139	303	347	446	1361	162	439	284	119	-58%
August	283	315	399	412	207	381	309	266	119	-55%
Sept	253	335	353	102	120	307	261	226	109	-52%
Oct	117	321	408	124	144	305	362	240	80	-67%
Nov	143	432	237	165	198	396	351	251	128	-49%
Dec	288	421	396	254	1417	643	270	139	43	-69%
AVERAGE	182	349	337	282	353	299	285	204	126	-38%



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 (433%) in number of incidents in our own estates and a decrease (60%) 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.

EASTERN PRODUCE KENYA LIMITED										
Table showing Short Term Disability figures from 2012 to 2020										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	Percent age change in 2020 compared to 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%
July	1	1	5	3	1	0	0	4	1	-75%
August	1	2	0	1	2	2	1	2	2	0%
Sept	2	1	1	3	1	3	0	2	0	-100%
Oct	1	1	1	3	7	3	0	2	1	-50%
Nov	2	0	1	1	2	0	1	0	3	100%
Dec	0	2	4	1	2	3	3	0	1	100%
TOTAL	12	10	11	15	23	11	9	3	16	433%

EASTERN PRODUCE KENYA LIMITED (Managed Estates)										
Table showing Short Term Disability figures from 2012 to 2020										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	Percentage change in 2020 compared to 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	00%
June	1	0	0	0	0	1	1	1	0	-100%
July	1	0	1	0	0	0	0	0	0	0%
Aug	1	0	0	0	0	0	0	0	0	0%
Sept	2	1	0	2	0	1	0	1	1	0%
Oct	0	0	0	0	0	0	0	0	0	0%
Nov	0	0	1	0	1	1	0	0	0	0%
Dec	0	0	1	0	2	0	0	0	0	0%
TOTAL	7	1	3	4	2	4	3	5	2	-60%



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 a decrease (87%) 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	Percent age 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%
Jun	550	35,280	54,570	69,570	25,130	-	-	0	0	-100%
July	15,550	91,400	-	-	-	7,700	-	-	540	100%
Aug	22,680	89,210	50,160	27,610	37,030	570	4,320	-	0	0%
Sept	23,080	44,216	50,440	25,460	40,120	-	-	37,990	915	-98%
Oct	-	-	24,980	26,440	27,702	-	-	7,380	0	-100%
Nov	-	-	25,160	-	24,550	-	7200	61,060	0	-100%
Dec	1,020	12,750	99,530	74,970	40,414	-	-	-	4,813.50	100%
TOTAL	102,920	358,921	613,758	383,160	370,589	189,118	15,840	107,870	7,362	-87%

7. Environment

Waste water analysis results received in the fourth 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.

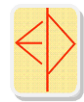
8. Risk and Compliance Update

8.1 Update on risk and compliance management

During the third 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 CSR Focus Areas

EASTERN PRODUCE KENYA LIMITED WORK PLAN FOR CSR – QUARTER 1, 2021		
Date	Activity	Objective(s)
Jan – Mar 2021	Quarter 1 CSR Committee meeting	-To review requests and identify those to support -To review progress with actions from quarter 4 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.
	Diabetes and Hypertension health outreaches	To monitor and support employees create awareness on achieving and maintaining their Blood pressure, early warning and referrals for access to care and treatment
	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 and implement HERO project

-End-