

COOPER **K-BRANDS LTD**

To experience the fulfilment of creating excellence

Communication On Progress

(COP)

Nov 2018



1. STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER

21st Nov 2018

To our stakeholders:

I am pleased to confirm that Cooper K-Brands Ltd reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Mucaï Kunyiha

Group Managing Director

2. DESCRIPTION OF ACTIONS

Below is a description of the different actions that we have continued to undertake in the four pillars of the UN Global Compact, and their outcomes.

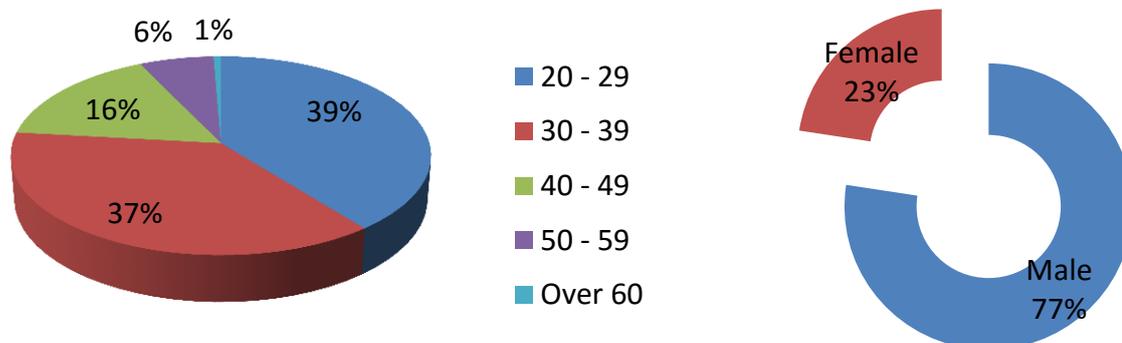
2.1. Human Rights

- Cooper K-Brands Ltd provides safe, suitable and sanitary work facilities for all staff. All production, laboratory and warehouse staff are provided with personal protective equipment. There is also enhanced protection installed in these areas through use of mechanical ventilation, and extraction systems.
- The Company is committed to providing a work environment that is free from any form of harassment, including physical, verbal, sexual or psychological harassment, abuse, threats and bullying. The Company finds any form of harassment totally unacceptable and recognises the adverse effect such behaviour has on people who work in or use the Company's products and services. All staff and other stakeholders, have a right to be treated with equal regard, dignity, concern and decency, and any behaviour to the contrary is not tolerated. The company has this statement on harassment in the human resources manual.
- The company uses only approved inputs and processes in its manufacturing processes and clearly indicates usage instructions on all product packaging. The company also complies with the WHO standard of Good Manufacturing Practices in its manufacturing, usage and disposal of products to minimize and eliminate any threat to human health and life.
- The company's respects employee's rights to access of information. On the third Friday of every month, a town hall meeting is held for all staff. In this meeting information about the company's performance and updates on any changes, such as the new strategy, the UN Global Compact and staff changes is shared and discussed.

2.2. Labour

- The company only employs adults who are above the age of 18 as stipulated in the Law. The company does not participate in any form of forced or bonded labour. Every employee has an employment contract with their terms of employment clearly stated.
- The company always complies with the minimum wage standards set by the labour laws, and also provides additional benefits that are not mandated by law.
- Employment-related decisions are based on relevant and objective criteria. A clear recruitment and promotion process that is reviewed every three years has been stipulated in the human resources manual to ensure fairness and justice.
- Total number of employees: 155. 23% Female, 77% Male. Current Management: 44% Female, 56% Male
- Gender & age distribution reflects a fairly young population with 77% male and 23% female employees. 77% of employees are aged between 20-39 years old, with 23% over the age 40 years.

Staff age profile



- Rate of occupational diseases: None occurred or reported in the year.

- No serious injuries were reported in the year. A register is maintained.
- Zero industrial accidents in the year. One spillage occurred.
- The company spent 3% of revenue on staff training in diverse areas from Tax, Sales & Customer Service, Good Manufacturing Practice, and Big Data. The target for the coming year is 5%.
- The company has initiated the Young Partners Program through which internal entrepreneurs are developed to take over product distribution in the various territories that the company operates. Two previous sales staff have already taken up the challenge, and set up distributorships in Narok and Kisii.
- Thirty eight percent (38%) of staff have recently joined the Kenya Chemical & Allied Workers Union, and having met the required threshold we are in the process of signing a recognition agreement.
- Cooper K-Brands Ltd has signed up, in partnership with Kenya Association of Manufacturers to a GIZ/AU sponsored program to contribute to skill development in the manufacturing sector. The company continues to engage continuing students & indentured learners from technical education & vocation training institutes in different areas of manufacturing as interns. The total number of interns that CKL has trained since inception of the program in 2017 is 45.
- The company has developed a grievance handling procedure within the HR policy Chapter 11 section 11.7, detailing both informal and formal procedures of handling grievance.

2.3. Environment

- Cooper K-Brands Ltd is commitment to environmental protection. We have a Safety Health and Environment (SHE) policy. We also have a very active cross-functional SHE committee that meets bimonthly, and also coordinates an annual SHE day for the participation of all staff in the organisation.
- We only use materials that have been approved for use by the industry regulators.
- We only use disposal agents and methods that are certified and approved by the industry regulator to avoid environmental damage.
- We practice strict waste management through control, treatment and analysis of effluent before disposal. All waste is separated and disposed off appropriately.
- Quarterly audits and regular maintenance of production processes and environmental protection systems (air pollution control, waste, water treatment systems, etc.) are carried out. The annual Safety, health and Environment audits were conducted in October 2017 in compliance with OSHA act 2007 and reports filed in accordance with section 11(1). (Report attached)
- The company conducted the Fire Risks audit and the Risks assessment of the workplace filled in April 2018.
- We have properly stocked first aid boxes at each work area. Fire drills and other emergency procedures are conducted on a regular basis to sensitize staff and stakeholders, prevent and address accidents affecting the environment and human health.
- We have separate clearly demarcated storage for chemicals.
- Cooper K-Brands has invested in the Eco-care Project, through which staff are involved in propagating and growing tree seedlings on a continuous basis. Our focus has been on indigenous trees and trees with additional commercial benefits e.g fruit trees. These are donated to staff, customers, stakeholders and other partners countrywide for transplanting and nurturing. The company monitors the survival rates every six months. Since inception, over 1.2million seedlings

have been raised. Over 850,000 have been transplanted across the country with a survival rate of 77%.

- In the year, the company launched the 'Feed Africa Challenge', an initiative to train the staff on growing their own vegetables, fruits and herbs in urban homes through simple resourceful methods. The program has held 4 challenges, and has been well adopted with 50% of the staff participating to grow their own food.

3. Special CSR Projects:

3.1. Orchards

- From the Eco-care project, opportunities to work within our communities have arisen. The company's staff have been voluntarily working with the following five homes for the vulnerable groups in establishing orchards to ensure sustainable supply of fruits.
 - Nairobi Rescue Center- Public institution for abandoned children aged 6 months-12 years
 - Kabete Rehab Centre- a corrective facility for children with delinquent rehabilitations confinement with 135 fruit trees; 80% surviving.
 - New Life Trust Homes group of homes (2)- Homes for abandoned newborn babies with HIV and AIDS. 36 trees were planted with 90 % survival rate.
 - Tumaini Children's Home:- A privately run home in the community neighboring Coopers. 240 fruit trees were transplanted with 80% survival rate.
 - Thogoto Homes for the aged: A community run home for the abandoned senior citizens in the neighbourhood. 24 fruit seedlings that have 100% survival rate.

3.2. Mentorship Program

- The Eco-care program has an outreach Mentoring program for the primary and secondary level schools on environmental conservation to various schools

- Kinyanjui Road Primary school where students have learnt to propagate and transplanted 350 tree seedlings.
- Moi Forces Academy with Kenya Armed Forces during M&E of the tree planting program with partners.
- Kabiria Primary School- where pupils have planted 200 trees and 15 fruit seedlings with 100% survival.

END
