



# COMMUNICATION ON PROGRESS YEAR 2015

**Company Name** : Cimbria East Africa Ltd  
**Sector** : Agriculture – Grain Care Handling Equipment  
**Number Of employees** : 46  
**UN GC signatory since** : 2006/4/4  
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## Table of Contents

STATEMENT OF CONTINUED SUPPORT TO THE UN GLOBAL COMPACT. ....	3
<b>SCOPE OF THIS COP</b> .....	4
CHAPTER ONE.....	5
Cea Policy On Human Rights. ....	5
Commitment.....	6
CHAPTER TWO.....	8
Freedom of Association. ....	9
Collective Bargaining. ....	10
Commitment.....	13
CEA Business approach to environment challenges.....	14
CEA Business initiatives to promote greater environmental responsibility. ....	15
CHAPTER FOUR.....	20
Commitment.....	20
A brief description of our processes and systems. ....	20
Measures of outcomes and value added for our company. ....	21

## STATEMENT OF CONTINUED SUPPORT TO THE UN GLOBAL COMPACT.

**T**his year marks 10<sup>th</sup> year anniversary of Cimbria's East Africa commitment to the United Nations ( UN) Global compact ten principles.

Cimbria's mission is to contribute to the creation of a sustainable link between efficient production and optimum utilization of agricultural crops with due consideration to man and the environment. We achieve maximum machine utilization with minimum environmental impact, whilst ensuring our equipment and projects play a significant role in securing the global food supply. Energy efficiency is a factor of consideration in design of our equipment.

Additionally, we have inculcated our operation process and strategies to take cognizance of the principles. These initiatives have been manifested in our work force deployment and labor engagement across the East Africa projects.

We have equally cascaded an Anti corruption policy document across the tenets of our business operation.

The following brief summary outlines some of our progress initiatives towards Global compact Principles during the year 2015.

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**Jørgen T. Nielsen**  
Managing Director  
CIMBRIA EAST AFRICA LTD



*Company: Cimbria East Africa Ltd.*  
*File No. : COP 2015*  
*Subject : UNGC Communication on Progress*  
*Date : 21.12.2015*  
*Page 4*

## **SCOPE OF THIS COMMUNICATION ON PROGRESS REPORT**

Cimbria East Africa is part of a worldwide group of companies with the headquarter sitting in Thisted Denmark.

Our mission is to contribute to the creation of a sustainable link between efficient production and optimum utilization of agricultural crops with due consideration of man and the environment.

Cimbria's core business is within the grain and seed with our main markets being grain, seed, feed and food. Our equipment and plants are also used in other markets such as breweries, malting house, fertilizer storage systems, biomass treatment plants, cement plants and for handling of other bulk materials.

We have four key departments namely, Finance, Human Resources, Sales and Projects that form the basis of our organizational structure. Our main focus in the year 2015 has been mainly reorganization of our Company processes that included changes in the various departments to achieve standardization of our internal operating procedures, in order to position ourselves strategically in readiness for growth.

Our vision Cimbria is to be to be an industry leader in East Africa and beyond in processing, handling and storage of grain and seed equipment. Cimbria East Africa has close to 60 employees who are close at hand and ready to provide services to all our customers. Their dedication and capabilities are key factors in our success.

As such, our staff were intensely involved in the development of our internal standard working procedures that saw have greatly improved internal efficiencies.

In the sales department, guidelines have been given on how to handle customer enquiries, preparation of quote, follow up on quotes given, order acceptance up to the final stage where the contract is signed. The same applied in all areas of operations that include procurement imports and export up to the final stage where the sale becomes a project.

The standard working procedures for the various departments have played an important role in improving the flow of work for our staff

### Staff welfare programs.

Our Company recognizes the importance of keeping its employees well motivated to enable them perform well in their jobs.

The HR Department has come up with a series of staff motivation campaign through events such as teambuilding, staff wellness programs and health checks – as you will see from the pictures below,

## CHAPTER ONE.

### CEA POLICY ON HUMAN RIGHTS.

#### HUMAN RIGHTS

##### 1. CODE OF CONDUCT

This code of conduct defines the policy of the Cimbria Group related to Human Rights.

The purpose is to give directions to all staff in order to protect the Cimbria Group from the consequences of malpractice and at the same time secure that we uphold some overall principles.

##### 1.1 Definitions:

**Human Rights:** Human rights are understood as those rights that are inherent to the human being. This includes among other the right to education and freedom of speech.  
The concept of human rights acknowledges that every single human being is entitled to enjoy his or her human right without distinction as to race, colour, language, religion, political or other opinion, national or social origin, property, birth or other status.

**Direct complicity:** Direct complicity occurs when a company actively assists in human rights violations committed by others.

**Beneficial complicity:** Beneficial complicity suggests that a company benefits directly from human rights abuses committed by others.

**Silent complicity:** Silent complicity describes a situation where a company may not be assisting or encouraging human rights violation, nor benefiting from the actions of those that commit abuses, but is viewed as staying silent in the face of human rights abuses.

**Cimbria Group:** All subsidiaries and associated companies of A/S Cimbria CVR-No.17 52 37 16

##### 1.2 Internationally proclaimed human rights:

We support and respect the internationally proclaimed human rights.

We acknowledge our responsibility to uphold the human rights both in our workplace and more broadly within our sphere of influence.

We don't violate any human rights.

##### 1.3 Complicit human rights abuses

We will not be complicit in any form to violation of human rights.



## HUMAN RIGHTS

Principle 1 Business should support and respect the protection of internationally proclaimed human rights and  
Principle 2 make sure that they are not complicit in human rights abuses

### Commitment.

Cimbria East Africa Ltd (CEA) is committed to support and respect the protection of internationally proclaimed human rights. We adhere to the UN Human Rights Declaration of 1966, the Charter of Fundamental Rights of the European Union and the Constitution of Kenya of 2010 which declare protection of human rights and how they should be observed in relation to operation of companies.

CEA adheres to the Cimbria Group Human Rights Code of Conduct with a commitment to ensure equality and freedom from discrimination, freedom from slavery servitude and forced labor and further guarantee freedom of association and the right to fair labor practices within our business practices and sphere of influence. We are committed to contribute positively to the Children's Act and rights to education for children living in our close vicinity.

### BRIEF DESCRIPTION OF SYSTEMS AND ACTIVITIES IMPLEMENTED IN 2013-2014

Freedom of discrimination: CEA is committed to ensure that no discrimination takes place in employment related procedures and decisions based on a person's origin, sex, religion, political or union affiliation, sexual orientations or physical challenges in the workplace. Our employment policy promotes equal opportunities for all candidates who meet the job specifications.

CEA do not discriminate against ethnicities and employ a variety of individuals from all of Kenya's tribes and strongly believe we have a great responsibility to make sure all employees are from different ethnicity and consist of the 42 tribes in Kenya.

*Company: Cimbria East Africa Ltd.*  
*File No. : COP 2015*  
*Subject : UNGC Communication on Progress*  
*Date : 21.12.2015*  
*Page 7*

CEA Promotes gender equality in crucial post within the organization and hope to secure a 50 percent gender ratio with a great improvement from, in 2014 which saw more female recruited for various roles within the company - 1:36 to 7:47 currently perceived such as gender roles.

The reasons are partly due to barriers within the society, and educational barriers where we have fewer female taking engineering courses - Women are therefore strongly encouraged to apply.

#### Measurable Results

Meetings have been conducted during this year between CEA management and Staff representatives on grievances put forward by staff where the management took steps to resolve them as well as implement some of the suggestions from staff. The Outcomes for implementation demonstrate access to communication as a basic Labor Right.

CEA is experiencing great support from our employees, stakeholders, business partners and the community within whom we operate. Changes bring development, with a few not in agreement, but catching up slowly with the setup measures taking effect for business sustainability.

#### **ACTIVITIES PLANNED FOR NEXT YEAR.**

CEA will focus on promoting human rights activities, transparent working environment within our work sphere to enact and train our staff and stakeholders to respect and adhere to the Cimbria Code of ethics that have been put in place. There is need to sensitize people on their rights as an employee.

Company: *Cimbria East Africa Ltd.*  
File No. : *COP 2015*  
Subject : *UNGC Communication on Progress*  
Date : *21.12.2015*  
Page 8

## CHAPTER TWO.

### LABOUR

**Principle 3 Business should uphold the freedom of association and the effective recognition of the right to collective bargaining**

**Principle 4 the elimination of all forms of forced and compulsory labor**

**Principle 5 the effective abolition of child labor**

**Principle 6 the elimination of discrimination in respect of employment and occupation**

### **Cimbria Policy on Labor.**

Cimbria East Africa Limited (CEA) is a subsidiary of A/S Cimbria group of companies and we uphold the overall Global compact principles on labor. As an organization, we realize that the success of the company is dependent upon the effectiveness of our employees. We therefore value our employees and have policies in place to ensure that we treat our employees with utmost respect and uphold their rights to work in a conducive environment. The Company has therefore set up a policy on labor whose main objective is to:

- Improve our labor relations with staff.
- Assist the management in decision making and providing facilities to ensure that the staff have a conducive work environment
- To provide a set of guidelines for the management and employees
- To create a favorable platform for communication to the staff and other stakeholders.
- To give direction to all staff in order to protect the company from the consequences of malpractice and at the same time ensure that we uphold internationally set principles on labor.

Our company policies on labor are described below



## LABOUR

### 1. CODE OF CONDUCT

This code of conduct defines the policy of the Cimbria Group related to Labor. The purpose is to give directions to all staff in order to protect the Cimbria Group from the consequences of malpractice and at the same time secure that we uphold some overall principles.

#### 1.1 Definitions:

**Freedom of association:** Freedom of association implies a respect for the right of employers and workers to freely and voluntarily establish and join organizations of their own choice. It further implies that these organizations have the right to carry out their activities in full freedom and without interference.

**Collective bargaining:** Collective bargaining refers to the process or activity leading up to the conclusion of a collective agreement. Collective bargaining is a voluntary process used to determine terms and conditions of work and the regulation of relations between employers, workers and their organizations.

**Forced or compulsory labor:**

Forced labor is a fundamental violation of human rights. Most victims receive little or no earnings, and work for long hours in extremely poor conditions of health and safety. Forced or compulsory labor is any work or service that is extracted from any person under the menace of any penalty, and for which that person has not offered him-self or her-self voluntarily.

**Child labor:**

Child labor is work that is damaging to a child's physical, social, mental, psychological and spiritual development because it is work performed at too early an age. Child labor deprives children of their childhood and their dignity. They are deprived of an education and may be separated from their families. Children who do not complete their basic education are likely to remain illiterate and never acquire the skills needed to get a job and contribute to the development of a modern economy.

**Discrimination in Employment:**

Discrimination in employment means treating people differently or less favorably because of characteristics that are not related to their merit or the inherent requirements of the job (e.g. race, age, disability, gender).

**Cimbria Group:**

subsidiaries and associated companies of A/S Cimbria  
CVR-No. 17 552 37 16

#### 1.2 Freedom of association:

We accept and support the freedom of association.

We provide equal opportunity to all persons no matter their view on trade unions or their trade union activities.

#### 1.3 Forced or compulsory labor

We will not use, encourage to- or benefit from- forced or compulsory labor. All employees of Cimbria are free to leave, if they should so desire.

#### 1.4 Child labor

We respect and obey minimum age provisions of national labor laws and regulations in the countries we operate.

#### **Freedom of Association.**

The company respects the rights of the employer and workers to freely and voluntarily establish and join organizations of their own choice and these organizations have the right to carry out activities in full and freedom and without interference.

We therefore accept and support the freedom of association and provide equal opportunity to all persons no matter their view on trade unions or their trade union activities.

#### **Collective Bargaining.**

CEA upholds the right of employees, workers and their organizations to engage in collective bargaining agreements that determine terms, relations and conditions of work.

#### **Forced or Compulsory Labour.**

The company is against any violation of human rights where employees receive little or no earnings, work for long hours in extremely poor conditions of health and safety and any form of compulsory work or service that is extracted from any person under the menace of any penalty and for which that person has not offered himself or herself voluntarily. The company will not use, encourage or benefit from forced labor or compulsory labor. All employees are encouraged to freely leave if they so desire.

#### **Child Labor.**

Child labor is work that is damaging to a child's physical, social, mental, psychological and spiritual development because it is performed at too early a stage in a child's development. CEA is against the employment of children because it deprives the child of their childhood and dignity. The company therefore ensures that we employ persons who have acquired the age of 18 and above and who have national Identity card, pin numbers as well as other statutory documents required by the Government of Kenya. This serves as benchmark for us in ensuring that we do not deploy minors in any of our work stations.

The company therefore respects and obeys minimum age provisions of national labor laws and regulations in Kenya.

#### **Discrimination in Employment.**

CEA does not discriminate against employees on the basis of their gender, sex, color, race, national origin, genetics or disability. We are an equal opportunity employer and do not permit direct or indirect discrimination against any employee on the grounds of race, nationality, sex, marital status or age.

These policies are clearly stated and the employees are aware of their rights and we require that our stakeholders uphold the same principles. When we have our ongoing projects or are about to start one, we ensure that the parties involved ensure that employees work under safe and healthy environments and that these requirements are met by the stakeholders. CEA is committed to ensuring that we provide the following with regard to reward management:

- That we provide an equitable pay system.
- That we pay for performance, competence and skill contribution.
- That the relationships between levels of pay in the organization and market rates are similar.
- That we provide for employee benefits
- That we share in the profits of the organization through bonuses.

The company has also provided the employees with an employment handbook which clearly gives guidelines to employees on what is required of them in areas such as leave management, training, guidelines of disciplinary procedures, recruitment, employee recruitment, substance abuse among others.

In the coming year, we have set the following goals to ensure that we adhere to the principles and policies put in place with regard to labor.

1. The Human resource department will have in place an appraisal system which will ensure that we reward our employees in a fair and equitable manner.
2. The Human Resource department will also ensure that we do more training especially for our supervisors in the area of health and safety to ensure that both our staff and customers follow the guidelines on health and safety, employee management, performance reviews among others.
3. The company will also conduct awareness trainings for the incoming employees on labor policy and standards.

4. The Human Resource department will also carry out training on the various policies in place to ensure that both the employee and the employer understand what is required of them.
5. A suggestion box will be put in place to ensure that employees are able to air their views on various issues affecting them. Currently, we have an open policy where employees hold departmental meetings and issues related to work and the work environment are discussed. These issues are then escalated to the management meetings held monthly where solutions are sought.

#### **Implementation of our labor Policy.**

The company has done the following to ensure that we implement our labor policy effectively.

1. Health and safety trainings are conducted annually for all staff and the supervisors who are in charge of ensuring that the same is implemented across the board. The employees are free to raise alarm when they find that the environment they are working on is not safe for operations. The company also provides appropriate health and safety tools related to specific duties carried out by employees such as safety boots, helmets, gloves, overalls, and masks among others that are procured through our procurement department from credible suppliers who also provide training on effective use of the same. Trainings such as occupational health and safety are conducted every two years to ensure that employees are aware of the occupational hazards they are exposed to based on their area of duty and how to effectively manage them.
2. The company provides avenues for consultation between the staff and employer and the customer and other stakeholders by ensuring that regular meetings are held to address concerns from either party.
3. The company has also ensured that all the departments are involved in addressing labor concerns that arise from time to time
4. As stated above the company has Human Resource policies and an employee handbook which is clear on the position of the company with regard to labor.
5. The company through the Human Resource department is a member of the Federation of Kenyan Employers through which we are able to participate in international labor agreements and other agreements with trade unions.
6. The Company has also launched a series of initiatives to ensure that staff welfare issues are addressed. We have the following programmes in place:
  - Staff welfare programme that caters for life's eventualities such as death of a close relative, sickness among others and helps staff deal with issues that affect them on a personal level.
  - There is a SACCO in place that assist staff with loans to enable them manage their personal financial matters.
  - Team building initiative that is carried out once a year to enable staff in the various departments meet, enjoy fun activities together as they learn and get to know each other better.
  - Staff wellness programs where staffs are able to access expert advice on how to deal with health concerns, in this forum medical checkup are conducted by approved medical practioneers who conduct a range of tests and provide a health assessment to the employee.
  - Regular health talks on different topics are held to provide education on different areas such as financial management, alcoholism and work life balance.

#### **Outcomes.**

The managing of CEA recognizes the importance of having standards that help us measure performance in the following ways;

- During recruitment which is centralized at the Human Resource department the Company strives to accommodate everyone regardless of their gender, ethnicity, age, sex among others our table attached shows the disparity on the same.
- Whenever we have incidents of violation of human rights and labor, the Human Resource department ensures that appropriate disciplinary action is taken depending on the nature of the violation.

*Company: Cimbria East Africa Ltd.*

*File No. : COP 2015*

*Subject : UNGC Communication on Progress*

*Date : 21.12.2015*

*Page 12*

- The management team also ensures that they review the progress made in the area of labor management and takes appropriate action to correct or improve conditions.
- Health and safety audits are carried out each year by independent parties which assist the management improve on areas outlined in the report.
- Government officials also visit the office to ensure that the company has complied with the set national standards and labor laws.

## CHAPTER THREE

### ENVIRONMENT

**Principle 7 Business should support a precautionary approach to environment challenges.**

**Principle 8 Business should undertake initiative to promote greater environmental responsibility**

**Principle 9 Business should encourage the development and discussion of environmentally friendly technology**

### Commitment

Cimbria East Africa L t d. (C E A) is determined to protect, maintain and enhance the environment whilst utilizing

### ENVIRONMENT

#### 1. CODE OF CONDUCT

This code of conduct defines the policy of the Cimbria Group related to our environment. The purpose is to give directions to all staff in order to protect the Cimbria Group from the consequences of malpractice and at the same time secure that we uphold some overall principles.

#### 1.1 Definitions:

**Cimbria Group** All subsidiaries and associated companies of A/S Cimbria CVR-No. 17 52 37 16.

#### 1.2 Cimbria Commitment

At Cimbria we believe in a prosperous future for all. We believe in caring for the Earth and the limited resources, we have at our disposal. We believe in making the most of, what we have for now and for future generations. These are the driving forces behind our endeavors to further improve efficiency in grain handling and care for the environment.

#### 1.3 Our impact on the environment through our clients

Modern crop handling is a question of:

- Caring for Nature's resources in a process which is as efficient and controlled as possible.
- Increasing yield - without causing unnecessary damage to the environment

Alongside ordinary business principles, the driving force behind our work is a wish to contribute to overcoming the shortage of food in the world. The expertise and insights which it takes to develop solutions of such character have been accumulated by us in the course of 60 years of experience and on-going intensive research and development activities.

On the basis of a holistic approach, we strive to create a sustainable connection between efficient production, care for people and environment and optimum utilization of the nature's resources. The crop optimization involves a process of greater efficiency and rationalizations while respecting the limits to efficiency. That is to say insights into whether greater efficiency in effect turns into the opposite. The drying temperatures and times, the speed of conveying and the cleaning capacity can be pushed to such an extent that the outcome is smaller yields or unnecessary damage to the environment.

At Cimbria we devote many resources - in our consultancy, project management and product development - to finding the exact limits to efficient crop handling.

#### 1.4 Our impact on the environment through our production

We are committed to protect human health and natural resources, promoting environmental stewardship, and implementing innovative environmental technologies and practices.

We respect and obey applicable laws, regulations, and other requirements in the countries we operate.

We have effective pollution prevention in place on all production sites.

We minimize waste by evaluating operations and ensuring they are as efficient as possible.

Approved by the Board of Directors of A/S Cimbria

October 30, 2013

Alfa Chan  
Arne Mos&Sorensen

Company: Cimbria East Africa Ltd.  
File No. : COP 2015  
Subject : UNGC Communication on Progress  
Date : 21.12.2015  
Page 14

By creating awareness amongst our employees, customers and stakeholders, CEA has conducted a couple of audits i.e. [Health and Safety and Fire Audits](#). Based on the outcome of the audit reports, CEA has definitely acted on some of the recommendations to conform to legal requirements of the various Environmental Management and Health Acts to improve environmental performance which in turn achieves less financial risks.

As a company, we are required to use all practicable means to create and maintain conditions under which man and nature can exist in productive harmony. We put it upon ourselves to incorporate environmental considerations in planning and decision-making through a systematic interdisciplinary approach. In our every deliberation, we consider the impact of our decisions on the next seven generations.

At CEA, we strive to have a positive impact on the environment and community by developing and practicing strategies that go beyond regulation and demonstrate commitment to a healthy and sustainable future. Our company adopts principles, policies, and practices that improve the quality of life for our customers and employees.

#### **CEA Business approach to environment challenges**

1. CEA has a code of conduct in place that defines the company's policy to our environment whose purpose is to direct staff to protect, conserve and uphold principles & practices to care for the environment.
2. There is a Health, Safety & Environment policy with a committee in place that oversees application of precautionary measures in upholding health, safety and environmental awareness.
3. With regards to hazard identification and characterization, there are readily available warning and precautionary signs & signals in our working environment which are shown as below. The main aim of this is to share knowledge and know how to deal with issues arising in the production environment i.e. possible accidents.
4. In place as well, are procedural communication mechanisms with stakeholders about uncertainties and potential risks in health, safety and environmental matters when carrying out various tasks brought forth. Such of these include Accident Registers, Contractors Safety handbook (shown below), etc.

This enables stakeholders to be in the know of several ongoing operations and measures to be taken to uphold maximum levels of safety which in turn leads to less financial risk on both parts

5. CEA provides staff with Personal Protective Equipment (PPE) which includes safety shoes/boots, helmets, hand gloves, dust masks, overalls, reflector jackets, ear plugs amongst others.

These are provided to ensure collaborative efforts are made by every individual to uphold safety within the manufacturing environment.

6. CEA facilitated for all staff a Health talk and staff wellness check.



7. Company vehicles records are maintained which contain information to maintain and control fuel consumption and efficiency.

This enables the persons concerned to monitor and curb harmful emissions, noise and dust from the environment by conducting regular vehicle service, which is done once the set mileage for a vehicle has been reached.

#### **CEA Business initiatives to promote greater environmental responsibility.**

1. Frequent audits are carried out e.g. Environmental Audit carried out in March 2014 in accordance with the environmental management and Coordination Act, 1999 and the Environmental (Impact Assessment and Audit) Regulations, 2003; Fire Safety Audit & Occupational Safety and Health Audits both conducted in April 2014 in compliance with OSHA 2007.  
The audits, which are assessment tools, at large ensures fulfillment of legal requirements of Environmental Management and Health Acts put in place to offer knowledge and skills support to all stakeholders on environmental conservation with special emphasis on environmental laws, policies and regulations in Kenya.
2. The workshop wall is now covered up to 60% with iron sheets and canvas stretched at the main entrance of the workshop for noise reduction. This was enforced so as to ensure that activities in our workshop do not cause noise pollution or any other harm to the environment of our close neighbor's.
3. At CEA, we promote and/or subsidy alternative forms of transportation for employees, such as carpools, fuel efficient vehicles and motorcycling.
4. CEA has undertaken a policy of corporate social responsibility (CSR) which aims to improve the lives of the local community.

We are involved in projects as a part of our CSR policy to ensure that the local population lives in a healthy environment.

5. On Safety and Health, CEA offers frequent medical examination of staff and ensure prevention measures are taken by workers exposed to paint fumes, welding gases or high noise levels as per legislation and continue collecting baseline information on staff health.

### **CEA Business environmentally friendly technologies**

1. By managing and reusing metal shavings & filings as scrap metal used during metal fabrications in the company workshop, ensures our company's management of solid waste.
2. Electrical waste materials, fluorescent tubes, cables and filter papers are all categorized as plastic waste material that cannot decompose but can be reused. Hence, CEA makes the effort of collecting all discarded material of this kind in the junk yard and auctioning the, to readily available buyers.
3. CEA is in the implementation stage of a paperless office or reducing paper usage and consumption. The creation of this awareness is done by circulation of reminders through email and having the following message in green as shown below:
4. With the help of huge storage tanks and gutters in place, CEA manages to trap rain water and utilizes it in many activities within the office. The safety of use of the water is actually ensured by cleaning roof, gutters and downpipes in the catchment area to be free from depressions that may hold leaves, dirt or stale water.
5. With the amount of scrap metal, we usually have lying around after job completion, we highly promote remanufacturing
6. The use of technologies and practices to reduce GHG other than renewable energy or energy efficiency has enabled CEA to implement a telework program for employees. Some employees are deployed to different sites within Africa and are still able to work and communicate while off-premises and utilize information and communications technology to stay connected to colleagues and work systems.
7. CEA has implemented use of energy efficient devices such as Compact Fluorescent Lights (CFLs), which reduce the establishment's energy consumption.

### **Activities implemented in the last year.**

- In support of precautionary approach to environmental challenges e.g. Issues of Climate Change Mitigation & Adaptation: Managing the Unintended Consequences, Biodiversity Conservation issues: Integrating Biodiversity Across the Ecological and Economic Agendas, need for new governance approaches to promote sustainable land management among others, CEA implemented the following activities:
  1. CEA Company has embraced the 5 'S' of housekeeping within our premises that saw re-arrangement of our workshop to have proper area demarcation for tasks improving on safety, easy evacuation/ management in case of an emergency.
  2. Space creation within our finished goods yard to enable more trees planting to the already existing ones thus a boost on our carbon sinks provision.
  3. Cleanliness within our premises that enhances identification of wastes that are usually recycled or disposed in accordance with the environmental laws like in case of E-wastes that we sell to E-waste management companies.
  4. Workshop extension to improve on space, demarcation & designation of areas e.g. relocation of our painting area that need 30-60 air changes per hour, welding & gas/ plasma cutting area that need 15-30 air changes among others to a well-ventilated area for OSHA.
  5. Re-location of the car garage shed and our kitchen to improve on how to handle oil spillages from repaired engines as a result avoiding slippage and infiltration into the grounds, reducing interference from human traffic and elimination of food contamination, proper kitchen hygiene respectively.
  6. Holistic approach towards waste management through identification, optimization on material use and re-use of cut-offs from our metal sheets which are our main raw materials.
  7. Improvement on our lighting utilizing solar as renewable energy through the use of transparent sheets as a result improving on safety, workmanship and generally reduce electricity costs.
  8. Renovations of our workshop floors to a reinforced concrete finish that enable proper marking of gangways, for easy cleanliness, ergonomically improved working areas etc.
  9. Installation of more cyclone roof ventilators that are engineered to use external wind power as main drive force thus saving on energy i.e. no running costs, extracts heat & fumes for better indoor air quality, silent operation avoiding noise pollution among others.
  10. Completely covered our workshop go-down as a means of mitigating measures to noise pollution, air pollution etc. to our immediate neighbors.
  11. Improved staff washrooms area floors for easier cleanliness.



12. Improved infrastructure i.e. access roads within the factory to a thin 3/8" ballast layer finish that enhance walking, driving, ridding etc. and minimizes large amounts of soil-derived dust and particles agitation in the event of wind. These particles can have major impacts on human health.
13. CEA embraced the use of the 5M's of management especially within our workshop to improve on our:
  - i. Machines/ equipment's that use less energy and environmental friendly,
  - ii. Motivated staff that are proactive in nature towards environmental issues and have good will on implementation,
  - iii. Methodical approach to tasks within the workshop that enable identification of an environmental impact of a non-conformity down-stream,
  - iv. Measurement in our daily tasks to help control on waste generation that become an issue in handling and lastly but not least,
  - v. Material handling e.g. e-material, heavy metals like copper that may have adverse effect on environment if not properly handled.
14. Audit of suppliers for improvement in usage of raw material to avoid e.g. chemicals, paints etc. that if of poor quality and obsolete technology can adversely affect the environment.
15. Implementation & training of staff on kaizen principles that generally boost our corporate culture change e.g. implementation of continuous improvement projects on approval that are geared towards improving our environment, appreciating the need for environmental conservation.
16. OSHA training through various kaizen principles like the 10 minutes daily workshop morning market meetings that create a chance to brainstorm and implement important issues like proper use of PPE's, efficient use of energy through improved culture that see staff responsible of switching off lights, equipment's, if not in use, etc.
17. Implementation of Kaizen spirit within the workshop leading towards work ownership that improves our ways of executing tasks e.g. use of an angle grinder in a safe enclosed space to ensure safe working environment for others.
18. Annual inspection of our lifting equipment's like chain blocks, trolley jacks, overhead cranes etc. for OSHA.
19. CEA facilitated for all staff a Health talk and staff wellness check.
20. Improved our drainage systems within or premises that take control of storm water especially in this el-Niño rainy season.
21. Efficient water usage and storage through methods like harnessing rain water in tanks for feature use as new Challenges to Water Availability Demands Efficient Water Usage. Although water scarcity is not a new issue, new challenges such as pollution caused by emerging contaminants including pharmaceuticals, personal care products, nanoparticles and micro-plastics and unsustainable usage patterns, are worsening water availability.

#### **Measurements of outcomes and value added for our company.**

1. Energy cost cut significantly and as a result equally reduction on carbon emission.
2. Improved quality on production of equipment's that are more human and environmental friendly.
3. Changing the Face of Waste/E-Waste: Solving the Impending Scarcity of Strategic Minerals and Avoiding Electronic Waste.
4. New understanding of interactions between land and water e.g., change in land use affects downwind rainfall as this has important implications for how water and land are managed.
5. CEA has been able to achieve compliance with environmental regulations and standards.
6. Through the undertaking of corporate social responsibility (CSR), CEA has been in the participation of Rhino Charge which is an environmental conversation program. A number of employees also have made time to visit children's homes to donate clothing and foodstuff while spending time with the children.
7. Since the company has a contract in force with service providers like Fire Company as well as having a provision of firefighting equipment, our premises are more secure of fire since the service provider provides maintenance services and audits.

#### **Measures of outcomes and value added for our company.**

1. General benefits of teleworking to the environment have been realized through increased workforce participation as well as reductions in greenhouse gas emissions, traffic congestion and fuel consumption associated with commuting to work when off-premises.
2. Teleworking has benefited the employees by increasing job satisfaction and improving work life balance as well as reducing the stress caused by daily commuting.

Company: *Cimbria East Africa Ltd.*  
File No. : *COP 2015*  
Subject : *UNGC Communication on Progress*  
Date : *21.12.2015*  
Page 18

3. CEA has been able to achieve compliance with environmental regulations and standards.
4. Our customers are guaranteed of an environmentally friendly premise should they want to visit the workshop.
5. Preparation of plans and monitoring the impacts of business travels has become easier owing to the maintenance of vehicle operations, fuel consumption, and efficiency and service records
6. Through the undertaking of corporate social responsibility (CSR), CEA has been in the participation of Rhino Charge which is an environmental conversation programme. A number of employees also have made time to visit children's homes to donate clothing and foodstuff while spending time with the children.
7. CEA has implemented changes at the workshop to give clear indications and demarcation for various activities e.g.1) Painting area .2) Metal fabrication area 3) Welding zone 4) Restrooms 5) Grinding area 6) Safety signs.

This has resulted in fewer accidents in the company hence enabling us to create more awareness as well as protect the health and the lives of your employees.

8. Improved environmental performance and prevention of pollution.
9. Since the company has a contract in force with service providers like Fire Company as well as having a provision of firefighting equipment, our premises are more secure of fire since the service provider provides maintenance services and audits.



#### **Activities planned for next year**

1. Purchase of ergonomically designed for safety and environmental friendly machines that do not adversely affect the environment.
2. ISO training and implementation within the company.
3. Training on OSHA 14001 Environmental Management Standards.
4. CEA will conduct (a minimum) annual fire and emergency preparedness drills at the head office and at different sites to increase fire and emergency preparedness/awareness.
5. All CEA staff will be trained on fire safety awareness and will also undertake a fire audit to identify areas to place fire extinguisher fighting equipment and learn more on fire exit and assembly points.
6. CEA will continue undertaking annual audits to improve our environmental, fire and safety performance and prevent incidents of pollution, accidents and hazards.

*Company: Cimbria East Africa Ltd.*

*File No. : COP 2015*

*Subject : UNGC Communication on Progress*

*Date : 21.12.2015*

*Page 19*

7. CEA will continue doing business with environmentally registered companies on used oil, sewerage, clean water supplier and garbage collector to encourage our chain of supply will continue complying with environmental regulations.
8. CEA shall continue supporting and reporting on the 10 principles

## CHAPTER FOUR

### Anti-corruption

#### Principle 10 Business should work against corruption in all its forms, including extortion and bribery

##### Commitment

Cimbria East Africa L t d. (CEA) will not condone or be involved in corruption for corporate gain. CEA acknowledges that corruption is expensive and increases the cost of doing business, hampers economic development, ruins reputation, and undermines a fair and trustworthy business environment. Therefore, CEA will ensure that all of its activities maintain minimal acts of corruption, including extortion and bribery in support for the principle 10.

##### A brief description of our processes and systems.

CEA has integrated anti-corruption measures into our systems and throughout the many stages of our supply chain. With CEA being a company involved in sales, as well as installation and commissioning, corruption can be a commonplace practice with both our suppliers and customers, and prevention requires constant vigilance on behalf of our sales, stores, and accounts departments. As a result, measures have been put in place in our General Terms and Conditions of sales to curb corruption in all it means and forms in our line of business.

Through the widespread use of the Navision accounting software, all entries are able to be clearly seen by the Finance Manager, Financial Controller, Managing Director, and Accountant. Each employee has their own unique ID and password to prevent ambiguity with entries and to hold each staff responsible. In addition, all entries are able to be traced through the user ID and corresponding physical document that are filed in numerical order and are easily found. This ensures transparency throughout the entire Accounts department and prevents fraud and corruption.

CEA general terms and conditions of sales are divided in 6 categories giving stakeholders human rights of doing business:

- 
- Kenya Small Projects General Terms and Conditions of sale (GT&CS)
- Overseas Parts Only Orders GT&CS
- Installation works GT&CS
- Kenya Large Projects GT&CS
- Outside Kenya Large Projects GT&CS
- Small stock items GT&CS

ALL six GT & CS carry the Validity of Quotation, Terms of Payments, Time schedule after having received formal order and letter of credit or Bank Guarantee, Other conditions, Scope of supply, Customers responsibility, Consequential loss and warranty,

CEA gives the customer/client the right to discuss the General Terms and Conditions of Sale otherwise the transaction of supply will remain the property of CEA unless otherwise agreed in writing.

CEA has signed a letter of commitment to a Code of Ethics for doing business in Kenya which carries along ethical methodology to keep us trusted and honest in ways we do our business, the community around us, employees and the state.

Lastly, CEA upholds Cimbria's Anti-Corruption policy which outlines that:

Cimbria East Africa L t d. (C E A) is determined to protect, maintain and enhance the environment whilst utilizing resources in a more sustainable manner for as we know "Prevention is better than a cure."

By creating awareness amongst our employees, customers and stakeholders, CEA has conducted a couple of A Cimbria Group employee may never offer or provide a gift, entertainment or anything of value if it is:

- Illegal
- Known to be in violation of the rules of the recipient's organization
- Cash, or cash equivalent
- Unsavory, sexually orientated, or otherwise violates Cimbria Group's corporate values
- Provided in return for something the recipient has promised, gives or does, or as part of an agreement to do anything in return for the Gift or Entertainment.

Company: *Cimbria East Africa Ltd.*  
File No. : *COP 2015*  
Subject : *UNGC Communication on Progress*  
Date : *21.12.2015*  
Page 21

**Receiving:**

It is not allowed to accept Gifts and Entertainment of a considerable size or extravagant entertainment from suppliers as this may be or may be seen as an attempt to influence the Cimbria Group employee's business decisions. Such gifts should be politely returned and invitations respectfully declined.

Certain types of Gifts and Entertainment should never be received, because they are either wrong in fact or in appearance. A Cimbria Group employee may never:

- Accept any gift or entertainment that would be illegal or result in any violation of law
- Accept any gift of cash or cash equivalent (such as gift certificates, loans, stock, stock options), or
- Accept or request anything if the Cimbria employee receives it in return for something the employee has promised, gives, or does, or as part of an agreement to do anything in return for the Gift or Entertainment.

**Books and records:**

Whenever a gift or entertainment is provided to a business partner, this must always be recorded in the local business unit's books. The recorded entry must expressly state the nature and purpose of the expenditure, and records must be preserved.

**Measures of outcomes and value added for our company.**

- While CEA is a member of the international Cimbria Groups of companies, our local way of doing business that is personalized to East Africa has allowed us to continuously expand our customer base and increase the number of employees while we continue adhering to the 10 principles. Customers keep coming back to us because they know us to be honest and adhere to ethical business practices.
- Audit Services are performed at the fiscal mid-year as well as at the close of the fiscal year to check the accuracy of the accounting books and to provide suggestions on improving processes and procedures.
- CEA so far have not received any related complaints during the reporting period
- While CEA experienced a decreased turnover this past fiscal year, we managed to reduce our company losses by 50% compared with the previous year and the company continues to maintain a very strong market position as the global need for grain handling is increasing concurrently with the need to prevent hunger in a fast growing global population.
- Cimbria's machines are extremely reliable and long-lasting with some of our machines being in production for over thirty years. Furthermore, Cimbria has committed to maintaining a supply of spare parts for all of its machines ever manufactured to ensure that our customers will be assured of a literal 'life-time guarantee.'

**Activities planned for next year.**

- To conduct training on Cimbria Group's Anti-Corruption policy for all employees who may encounter a situation where customers or suppliers may try to persuade them with gifts or entertainment. These employees are members of the Sales, Accounts, and Stores departments.
- A new policy will be instated to require at least two quotations from suppliers for the same goods to a limit over KShs.20,000.00 to ensure that our employees are not receiving gifts or entertainment for purchasing from certain suppliers despite an elevated cost

**DONATIONS - 2014**

CEA engage in CSR responsibility with local communities on actual and potential community impacts of its operations amongst: -

- On 1<sup>st</sup> June 2014 Together with some of our stakeholders, CEA participated in donating to the 2014 Rhino charge event in aid of conservation of the Water Towers of Kenya.
- In support towards paying orphaned children school fees, visiting the home by CEA employees getting aside their busy schedule to share their birthday cakes with the children respectively.

*Company: Cimbria East Africa Ltd.*  
*File No. : COP 2015*  
*Subject : UNGC Communication on Progress*  
*Date : 21.12.2015*  
*Page 22*

- CEA sponsored a Coffee research Student Master Alastair during AFCA 2014 in Burundi.
- CEA donated money to assist the Kenya Motorsports Team with attending the FIM Africa Continental Championships in Zambia on April 6, 2014.
- CEA will honor its annual financial contribution to the foundation for the Global compact 2014.

#### **Community Awards**

- Certificate of appreciation as an Exhibitor at the 11<sup>th</sup> African Fine Coffee Conference and Exhibition held in Burundi- Bujumbura from 13<sup>th</sup> to 15<sup>th</sup> February 2014 to show case Cimbria coffee products and interact with other stakeholders in the coffee industry.
- Certificate of Participation from Eastern Africa Grain Council and Agribusiness Expo 2014 held at Kabarak University, Nakuru on 14 and 15<sup>th</sup> August 2014 to promote and interact with Grain stake holders on the safe metrology of Post-harvest technology.
- Certificate of Participation awarded by Kenya Seed Company Limited in recognition of valuable contribution toward the 2014 Annual Research Filed Day held on 3<sup>rd</sup> and 4<sup>th</sup> September 2014 with the Theme "Enhancing Seed Technology for Food Security and national Growth"

#### **Communication On Progress To Stakeholders.**

Cimbria East Africa Ltd (CEA) will make this COP available to our stakeholders, customers and employees together with the public at large by: -

- Posting same to the UNGC website
- Cimbria Group website- [www.cimbria.com](http://www.cimbria.com)
- Word of mouth to our customers, Clients and stakeholders during the trade fairs and field days
- On continued communication during this year's Christmas card, a note that we support and adhere to the 10 Principles of the United Nations Global Compact will be sent to all stakeholders and friends of CEA.
- Use of "We Support" UN Global Compact Logo in our give away items like calendars, and advertising materials.