



2020 COMMUNICATION ON PROGRESS (COP) REPORT SUBMITTED TO THE UN GLOBAL COMPACT

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1.0. Statement of Continued Support by Chief Executive Officer (CEO)

Celebrating the 75th anniversary of the United Nations, Mucai Kunyiha, Group CEO, was among 1,294 CEOs from companies over 100 countries who demonstrated support for the United Nations and inclusive multilateralism by signing a <u>statement from Business Leaders for Renewed</u> <u>Global Cooperation</u>.

By signing the statement, CKL continues to commit and demonstrate that we are accountable, ethical, inclusive and transparent.

In the spirit of renewed global cooperation, CKL commits to:

- ✓ Demonstrate ethical leadership and good governance through values-based strategies, policies, operations and relationships, to enable it meets its mission and vision;
- ✓ Invest in addressing systemic inequalities and injustices through inclusive, participatory and representative decision making at all levels of our business;
- ✓ Partner with relevant stakeholders to strengthen access to justice, ensure accountability and transparency, provide legal certainty, promote equality and respect human rights.

We join thousands of other large, medium and small businesses to call on the governments to:

- ✓ Protect human rights, ensure peace and security, and uphold the rule of law so that businesses, individuals and societies can flourish;
- ✓ Create an enabling environment to serve the interests of people and planet, prosperity and purpose, through strengthened international cooperation and national legal frameworks;
- ✓ Enhance multilateralism and global governance to combat corruption, build resilience and achieve the SDGs.

We continue to advance the mission of the UN in our business by upholding the Ten Principles of the UN Global Compact as well as contributing to the achievement of the Sustainable Development Goals (SDGs) in line with our business mission and vision.

Mucai Kunyiha Group CEO.

2.0. Purpose of the Report

CKL has been a signatory to the UN Global Compact since 2015 and as such is required to submit an annual Communication On Progress (COP). The report demonstrates how the business upholds the Ten Principles of the UN Global Compact in the four areas namely: Human Rights, Labour, Environment and Anti-Corruption.

3.0. About Cooper K-Brands Limited (CKL)

Established in 1906 in Kenya, Cooper K-Brands Ltd (CKL) is a leading manufacturer and distributor of agricultural inputs for livestock and crop protection, in East and Central Africa. For over a century, CKL has delivered high-quality products and solutions for livestock farming (feed additives/premixes/milk replacer, mineral supplements, hygiene & disinfectants, dewormers, anti-infectives, vaccines, genetics, veterinary essentials and ecto-parasiticides). In 2010, CKL diversified further into crop protection (fungicides, herbicides, foliar fertilisers, termiticides, insecticides and fodder seeds). CKL has regional presence in Kenya, Uganda, and Rwanda. CKL is committed to offering quality livestock and crop solutions which enable increased production and productivity on the farms. Visit CKL website http://coopers.co.ke/ for more information.

4.0. Description of practical actions and Measurement of Outcomes

4.1. Human Rights

Principle 1: Businesses 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.

CKL business operations are conducted in a manner that respects human rights. CKL business continues to take measures to ensure safety of its employees and all its stakeholders.

There were no motor or industrial accidents reported in the year.

CKL work places remain safe. Annual Occupational Safety and Health Audits and Fire and Risk audits were conducted in line with Occupational Safety and Health Act 2007 and the Fire Risk Reduction Rule (FRRR), 2007 as required by the Kenyan law.

The following best practices were cited from the Occupational Safety and Health audit:

- Existing Environmental Health and Safety Policy;
- Existing Health and Safety Policy and seven-member safety and health committee;
- Existing Safety Health and Environment Quality (SHEQ) department dedicated to managing Environmental Health and Safety (EHS) aspects;
- Constituted and trained Fire and First Aid teams;
- Presence of Fire equipment that are serviced by a registered firm- Kenya Fire Appliances Ltd as required by law;
- Registered workplace NRB13554/02/19/05 under OSHA, 2007;

- CKL has provided welfare facilities (sanitary towel disposal bins, appropriate Personal Protective Equipment's (PPEs), sufficient wholesome drinking water and tea breaks);
- Established system for accident reporting and investigation;
- Comprehensive emergency response plan for handling emergencies at the workplaces;
- Statutory examination for lifting machines/equipment, and plants through DOSHS approved inspector;
- Evident commitment towards implementation of good health and safety practices;
- Medical examinations have been conducted at the workplace as per Medical Examinations Rules, 2005.

The following commendable practices were cited from the Fire and Risk audit findings:

- Removal of products and wastes to avoid accumulation;
- Machinery layout in terms of spacing was found adequate;
- Adequate ventilation has been provided in the offices, production area, ware house and labs;
- Functional Fire Alarm is regularly tested and with displayed fire call points;
- Standards at the Warehouse Bay were at their best and they should be maintained.



A CKL staff operating a machine at the Warehouse.

4.2. Labour

Principle 3: Businesses 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; and | Principle 6: the elimination of discrimination in respect of employment and occupation.

CKL upholds the freedom of association by having in place a recognition of the right to collective bargaining agreement. The company's Human Resource policy details both informal and formal procedures of handling grievances. In the year under reporting, there were some grievances / queries received on CKL's anonymous portal <u>https://coopers.ongea.io/</u> which were all satisfactorily addressed and resolved discretely.

4.2.1. Human Resource Status

CKL had a total of 168 employees, of which 127 were permanent employees (Males: 99, Females: 28) and 41 fixed contract employees (Males: 32, Females 9). There two male interns in the same reporting period. The table below gives age distribution of CKL employees as of 30th June 2020:

CKL Employee Age Distribution		
Age-group	Number of Employees	
20 to 29	53	
30 to 39	76	
40 to 49	28	
50 to 59	10	
60 and over	1	
Total	168	

4.2.2. Staff Training

Trainings were both externally and internally facilitated. Training topics included:

- Communication Skills
- First Aid & Fire Safety
- Women in Leadership
- Technical Training for Operators
- Writing & Presentation Advantage
- 7 Habits of Highly effective people
- Leadership effectiveness
- Various topics on Good Manufacturing Practices
- Nitrogen Dispensing training for warehouse team
- Union collective bargaining agreement negotiation processes
- SDG Value Scan
- Safety and Wellness

Annual medical checkup was also conducted with no occupational diseases detected.

4.3. Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges; | Principle 8: undertake initiatives to promote greater environmental responsibility; and | Principle 9: encourage the development and diffusion of environmentally friendly technologies.

CKL has a sustainability policy that outlines its environmental responsibility to strengthen partnerships to protect the environment and actively manage our resources responsibly to reduce negative impacts, and to improve our environment.

4.3.1. CKL Eco Care Project

CKL's Eco Care Project propagates high quality tree seedlings which are freely distributed to local communities across the country through close partnership with various stakeholders. Tree seedlings include fruits, exotic and indigenous species.

In the financial year 2019/2020, CKL distributed 164,532 tree seedlings, equivalent to Kshs. 9.5 million.

4.3.2. Fruit Orchards

There were continued efforts to grow fruit Orchards at five children's homes and one home for the aged, for sustainable supply of fruits and environmental conservation.

- Kabete Rehabilitation Centre: 55% of the 108 tree seedlings planted have survived.
- New Life Trust Homes: Received technical advice on sack gardening, raised bed vegetable farming, weed and pest control methods. The Kisumu branch received 21 quality fruit seedlings. 15 out of the 21 fruit tree seedlings have already given fruits.

- Don Bosco Technical Institute in Nairobi: 85% of the 700 tree seedlings planted have survived.
- Tumaini Children's Home: Out of 240 fruit tree seedlings, 63% are progressively doing well.
- Thogoto Homes for the aged: CKL donated 48 Hass avocados seedlings and conducted training on general plant management skills.
- Ol Turoto Children's Village: Received over 700 tree seedlings that were planted both at the Village compound, Olturoto Chief's camp and Ol Turoto Primary school.



Images of fruiting trees and fruits at respective CKL areas of Environmental initiatives.

4.3.3. Environmental Mentorship School Program

- CKL Eco Care project planted over 600 tree seedlings which are now matured trees at Kinyanjui Road Primary School
- Mentorship and school greening program continued at Kabiria Primary School;
- CKL Eco Care project mentors Environmental club members at these schools on best tree orchard practices;
- Other primary schools which have benefited on mentorship program are Beth Mugo High School, Old & New Kihumbuini and Kangemi Primary Schools.

4.3.4. Feed Africa Challenge

Through the Feed Africa Challenge Initiative, CKL continued to empower its staff by offering advisory services on best agronomic tree management practices and issue free herbs, fruit seedlings, avocado fruits, spices & vegetables.

4.3.5. 2019 Environmental Audits

The environmental audit report 2019 noted that CKL improved its environmental performance especially on accounting of water, energy, material utilization and waste management. Production data captured facilitates identification of areas of improvement in terms of profitability, sustainability, efficiency and effectiveness.

Below is a list of commendable practices cited from Environmental Audit Report:

- CKL operations have significantly improved in terms of work flow, cleanliness, improved grounds/pavements, material and product quality / safety surveillances, reduction in solid waste generation, energy management and increased knowledge on environment, health and safety as well as environmental conservation and sustainability measures driven by Eco Care Project and Feed Africa Challenge Initiative.
- Increased and diversified provision of appropriate PPEs (especially acaricide and pharmaceutical plants);
- Highly motivated and sensitized staff in addressing EHS and Quality issues;
- Improved utilities, data capture, analysis and management through established systems and procedures for metering, measuring and capturing energy usage data;
- Acaricide plant, pharmaceutical plant and vaccine unit effluents chemical and organic aspects meet Water Quality Regulations, 2006.

4.3.6. Eco Care New Partnerships

CKL Eco Care Project continues to expand its partnership and networks with like minded stakeholders in the effort to increase tree coverage in the country to 10%. Such stakeholders include Henry Wanyoike Foundation, Miti Alliance, Kenya Air Force, Faith Based Organizations (FBOs) and like-minded individuals.



CKL Eco Care Team Leader Samuel Karimi plants a tree at the New Kinyanjui Road Primary School in collaboration with Team Environment Kenya, Summit Seekers, Kenya Air Force and members of Environment Club from Kabete Rehabilitation School.

4.4. Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

In its code of conduct, Cooper K-Brands Ltd clearly states and requires its employees and business partners to uphold professional business ethics and not use their positions to solicit or give gifts of any kind that may reasonably be seen to compromise personal judgement and integrity. Any gift above US\$100 in value must be declared.

Personal integrity is a core value of the company, that forms the basis of recruitment and continued engagement with the company.

The company rejects any business that comes with explicit or implied conflict with the espoused business ethics. CKL has committed to undertake responsible business by signing the Code of Ethics for Businesses in Kenya. The code is an initiative by the business community of Kenya to promote and enhance the ethics of business conduct in Kenya in line with the ten principles of the UN Global Compact.

CKL has a whistleblower portal https://coopers.ongea.io/ that strengthens a corruption free business culture by encouraging staff and other stakeholders to report any matters relating to corruption or bribery within the business.

5.0. CKL COVID-19 Response Measures

CKL continues to implement various COVID-19 precautionary measures to minimize spread of COVID-19 at the work place. Below is a list of some of the COVID 19 measures implemented so far:

- i. Establishment of a cross functional CKL COVID-19 Response Team to oversee implementation of COVID measures and to determine what measures to maintain or relax;
- ii. Installation of Sanitizer Dispensers at work place. These dispensers are regularly filled with sanitizers;
- iii. Provision of portable sanitizers and reusable face masks to all staff including CKL field workforce for use while at work and away from work. CKL did this before it became mandatory for everyone to wear a face mask in public spaces in Kenya;
- iv. Provision of meals to staff;
- v. Transport reimbursement for all staff who still have to commute to the office;
- vi. Working from home arrangement. Staff have been enabled to remotely work from home through provision of safe internet access and office equipment such as laptops;
- vii. CKL has distributed over 50 hand washing water tanks and soap to vulnerable communities especially those living in informal settlements;
- viii. The regularity and modes of communication have been increased and staff are regularly sensitized on the need to observe hygiene measures, and government guidelines are simplified. Weekly communication was enabled to lessen staff anxiety and stress at the onset of the pandemic;
- ix. Production shifts are in place to reduce contact between teams should there be a COVID-19 confirmed case within our work places;
- x. It is mandatory to wear face masks within all CKL work locations and compounds;
- xi. Staff IDs were issued to enable ease of movement should there be challenges as a result of curfews and lockdowns instituted during this time;
- xii. Staff home address mapping (contacts and locations) was done for planning purposes should the company needed to offer additional services like transportation;
- xiii. Temperature screening of staff is ongoing at work to enable early detection on of fever;
- xiv. CKL suspended all in-person meetings and restriction of visitors to the CKL offices to minimize physical contact;
- xv. CKL donated a broad spectrum disinfectant worth Ksh. 1.6million (approximately US\$16,000) to the Kenya National COVID -19 Response task force for use in disinfection of quarantine and isolation areas;

- xvi. CKL has adopted use of technology to communicate to farmers through online farmer communication and training to make up for the reduced in-person farm visits and field days;
- xvii. We have changed our modes of payment to cashless by encouraging bank transfers and mobile money to reduce handling of physical cash. E-commerce and last mile options have also been engaged through partnerships with other third parties;
- xviii. The Feed Africa staff challenge has been re-emphasized and the company continues to provide free vegetable and herbs seedlings to staff, for them to grow their own food and keep busy at this time;
- xix. As required by the Directorate of Occupational Safety and Health (DOSH), CKL undertook a COVID-19 audit to establish our work place readiness and preparedness on COVID-19. Audit findings reveal our level of COVID-19 preparedness and response as high.

6.0. Upcoming Year 2020 Activities

CKL created a Sustainability Communications Manager position to champion CKL Sustainability related activities and initiatives of the business. A Sustainability Policy has been created which outlines the business economic, social and environmental responsibilities.

Key upcoming activities will include implementation of Safety, Health and Environment audit findings and implementation of business responsibilities as outlined in the sustainability policy.