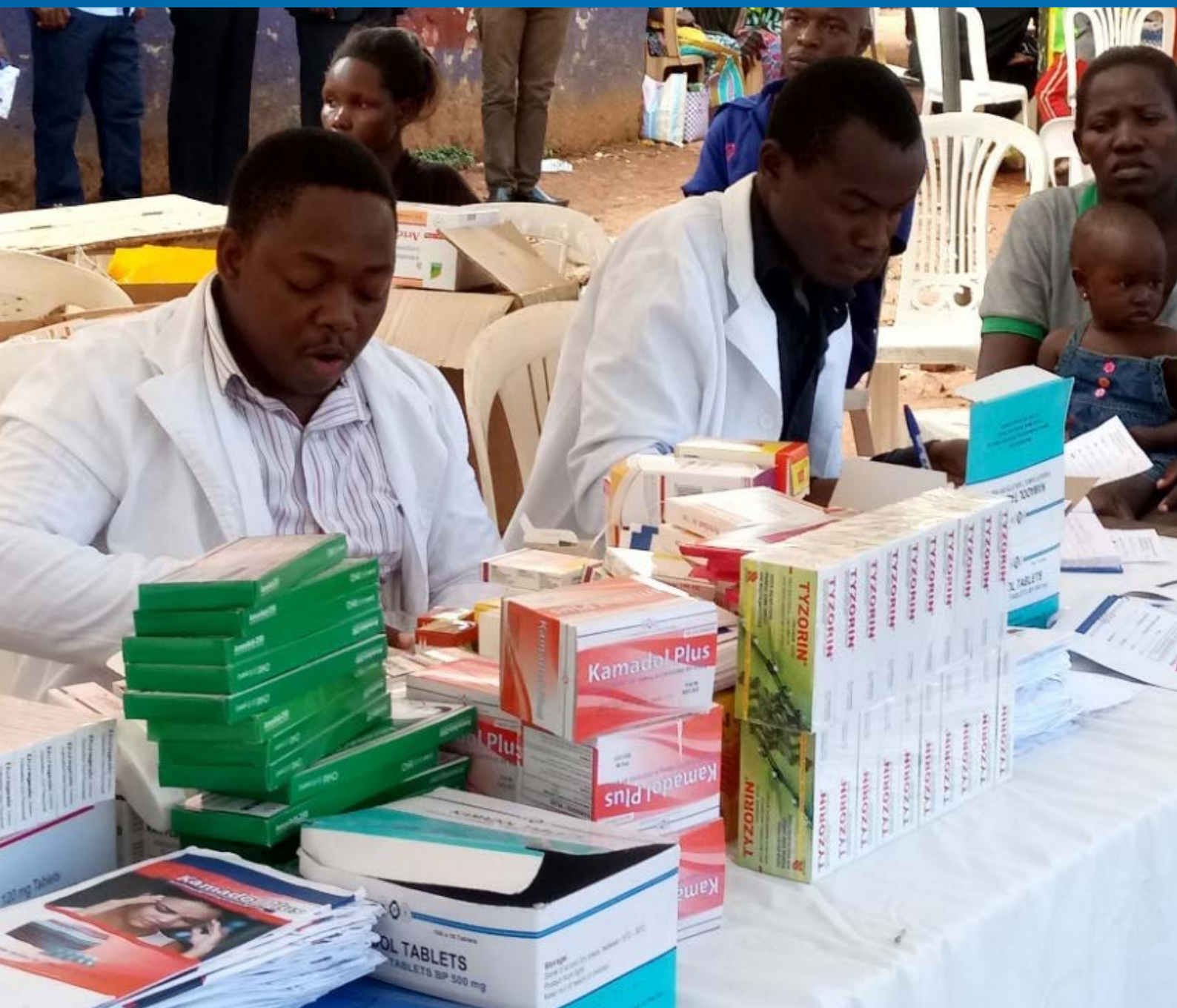


IPS

ISSUE 11, JUNE 2018

SUSTAINABILITY

SHARING BEST PRACTICES



| EDITORIAL NOTE

The importance and value of the Sustainability Development Goals (SDGs), set by the United Nations in 2015, is growing. As companies, cities, civil society organizations and even individuals strive to live and operate more sustainably, the SDGs not only provide guidance, but also a means to track performance.

The SDGs are a collection of 17 global goals and are also known as the ‘Global Goals for Sustainable Development’. They are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. We encourage you to learn more about each of the SDGs here, <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

The SDGs reflect and complement IPS’s core values and operating principles: relevance and development, compassion and integrity, inclusiveness and pluralism, long-term, excellence in all that we do and building capabilities in our teams.

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Effective stress management activities improve employee productivity and engagement, which translates into an optimal workplace. Yoga is great for mind body wellbeing and is a win-win activity that is low impact and focuses on improving strength, building concentration, and reducing mental and physical stress. Employees at Uganda Fishnets Manufacturers Ltd. (UFM) recently participated in a yoga session that helped them with muscle pain as well as improve their relationships and effectiveness at work.

"The yoga session was fruitful; we were facilitated by a coach from Acacia centre, who taught us what yoga is. It is a form of exercise for the mind, body and the spirit. It involves breathing exercises and stretches ranging from simple to complex stretches. I can testify to the efficiency of the breathing exercises in terms of being in total control of self, emotions and the surrounding at large. Being in better shape of body, mind and spirit, has enabled me relate to my coworkers better, and now that I practice yoga every morning, I have no pain in the limbs, and this has helped me to better monitor the factory floor better. It was indeed well thought and truly beneficial to us." – Nankya Florence, Production supervisor at UFM Ltd.

WORKPLACE WELLNESS

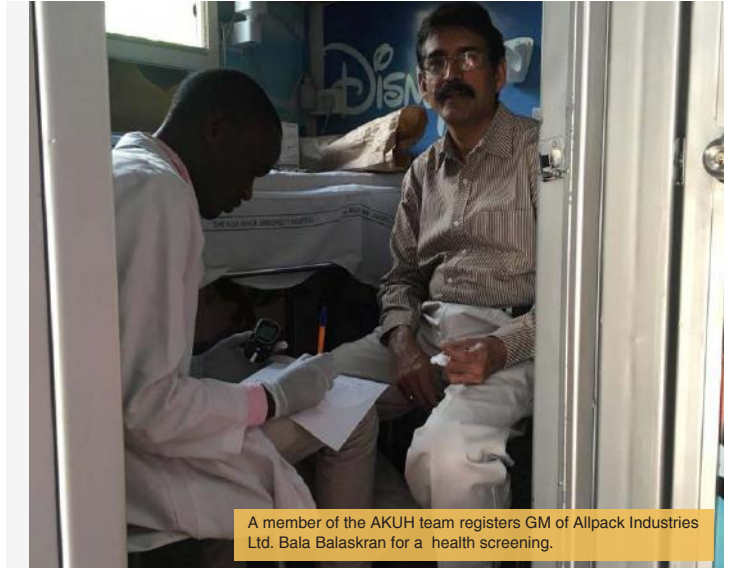


*De-stressing
at work with
Yoga*

WELLNESS ACTIVITIES ACROSS THE IPS GROUP



Kampala Pharmaceutical Industries' Football Club celebrate after winning a match!



A member of the AKUH team registers GM of Allpack Industries Ltd. Bala Balaskran for a health screening.

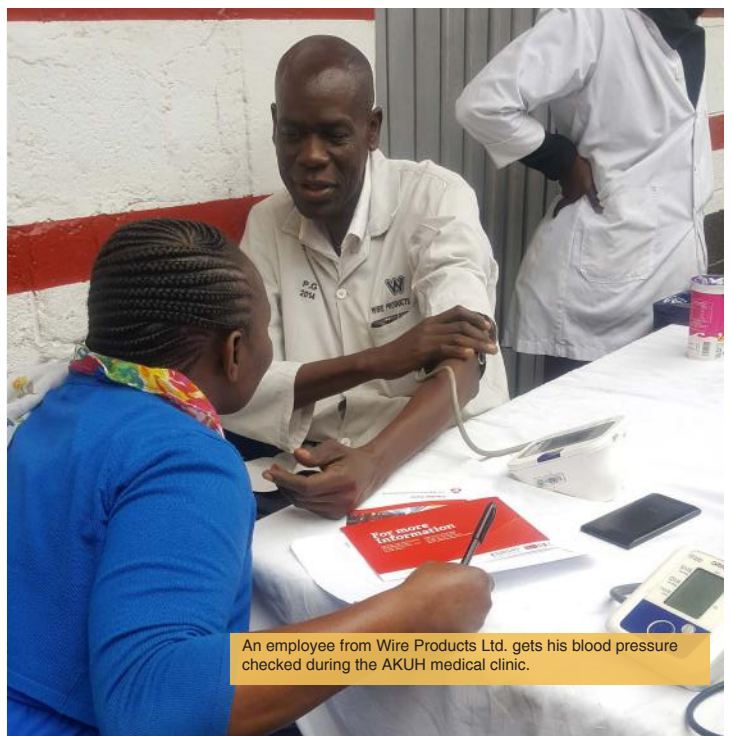


Employees at PFIL listening to a health talk on managing stress techniques before commencing work for the day.

IPS partnered with doctors from the Aga Khan University Hospital (AKUH) to provide on site medical clinics to employees in the group. The medical camps screen employees for blood pressure, blood sugar, check body mass index and perform a clinical breast examination on request. The AKUH doctors also provide free health education through health talks, based on the needs identified by each individual company. Popular topics are: healthy living, diabetes, cancer, stress management and work life balance.



Frigoken's workplace counselling programme has been gaining momentum with more employees learning how to better cope with personal and work stress



An employee from Wire Products Ltd. gets his blood pressure checked during the AKUH medical clinic.

ALLPACK SUPPORTING FUTURE LEADERS



The Allpack Scholarship programme began in 2016 with the goal of providing full tuition assistance for students starting secondary school. The scholarship is open to all Allpack employees to apply for the scholarship for their children. As the programme has grown, it has become competitive and to ensure transparency and merit-based selection, Allpack has set up a committee that reviews academic reports and performance to select the

awarded student. Committee members also provide mentorship, which gives the students added motivation and encouragement. Currently, there are three students recipients and their parents have shared their thanks for the scholarship:

I am taking this opportunity to say a lot of Thanks to the management of allpack industries for the Education bursary they granted me.

My child Jürgen Aketch sat for his KCPE exams and passed very well but didn't have means for his further studies in high school. Allpack management intervened for assistance and the boy is now in a high school (Kisumu boys high school)

May God bless the company to continue giving support to his worker children by granting more Education funds.

TO ALLPACK CSC TEAM

First of all I Appreciate for the Support you have given me. So I thank you because the Bursary helps me to my child.

As a parent am really appreciated so much especially for the school fees and I thank the company support that you given me. So well done and God Bless you.

A TRIBUTE TO LILLIAN: A WORKPLACE WELLNESS CHAMPION FROM FRIGOKEN



Lillian, also known as Alilo Nyabondo, was a dedicated employee, a committed wellness champion, first aider and a health and safety member at Frigoken. Her colleagues and friends shared small tributes in her memory.

"We used to call Lillian, Nyabondo. I have lost a true friend, mentor, colleague, a fighter and a team builder. I met her in 1998 and she made me who I am today. She made me build my confidence, when my self-esteem was down. She was so loving, caring, jovial, a good listener and a wonderful counsellor, a no nonsense lady, her description surpasses many words. We loved you but God loved you moreRest in peace LILLIAN!"

Mary Ouma, FKL Creche Administrator

"Lillian Atieno, I met you back August, 1996. You were young and full of life. Very willing to hold my hand and take

me through what life was all about. We have journeyed together for 22 years until your untimely death. All that I remember is you waving goodbye that fateful evening. You will forever be my role model, someone of good morals, hardworking, a counsellor, understanding, devoted and full of focus. I can't mention it all. May your Soul Rest In Peace. We loved you but God loved you more."

Colleta Scaut, FKL Quality Assurance Supervisor

"It is said that writing can be purgative. And therefore, today, I write to ease the immeasurable loss I feel at losing Lillian. I first met Lillian in 2015 June when I joined Frigoken. And over the last few years, I got to work closely with her especially in workplace wellness. She was dedicated, committed, and giving up was something she didn't believe in. I learnt so much from her because one thing was for sure; she kept me on my toes. Always asking what I had planned next. Every time when I walk into the factory by the inspection line it's obvious that something is missing. An orange cap showing that a first aider is present and her yellow reflector as a health and safety member. Frigoken has lost a dedicated employee, we as her colleagues and friends and most especially as Wellness Champions have lost a committed and dedicated leader.

I will miss her dearly. But God's will is at hand. May her soul rest in eternal peace amen."

Elizabeth Maina, FKL Sustainability Officer



ENVIRONMENT

IPS's commitment to tree growing initiatives

While environmental conservation efforts are not new initiatives, the past few years has seen an increased need in action and collaboration to fight against climate change, deforestation and spread awareness on the finite nature of natural resources. The need to make bolder and more impactful changes is no longer an option. In Kenya, for example, logging was completely banned for 90 days in 2018 due to the rapid reduction in forest cover from 10% to 7%. It is important for governments to spearhead environmental conservation, but for efforts to be impactful and long-term, the responsibility lies with all stakeholders from corporates, government agencies, community groups and citizens. At IPS we do not take our responsibility towards environmental conservation lightly; we believe that the resources that we have today must be conserved for the generations of tomorrow. Every year, IPS companies partner with local communities to grow trees and will continue to scale such efforts and be part of the movement that protects our environment.

TREE PLANTING ACTIVITIES ACROSS THE IPS GROUP



900 Total number of trees planted across the group this year



Farmer's Choice employees have a fun day at Cianda High School, planting trees with the students



Students from Allpack's second adopted school, Ngwata Primary School, each plant a tree seedling on their school grounds.



KPI employees partnered with members of the Kasubi Church of Uganda School to plant 100 fruit and commercial tree seedlings at the school grounds



Employees of Leather Industries of Kenya and PFIL collaborated to plant 500 commercial and fruit trees at Thika Rescue Center



A PFIL employee shows a child from Thika Rescue Center how to properly remove a poly tube and plant a tree.

LIU LEADS THE CONTINENT IN ENVIRONMENTAL PERFORMANCE



Congratulations, Leather Industries of Uganda (LIU)!

In March 2016, LIU underwent a comprehensive Leather Working Group (LWG) audit, passing on its first attempt, making it **the first tannery in sub-Saharan Africa (outside of South Africa) to attain LWG certification**. LWG is a multi-stakeholder group, with the goal of raising the environmental performance of the leather industry. This year, LIU successfully passed an audit with the Leather Working Group with a Silver rating.

To achieve this, they enhanced operations in the following aspects:

Improvement in health and safety through the provision of appropriate personnel protective equipment (PPE) to all employees, installation of appropriate, visible and easily understandable health and safety labelling and warning signs around the entire facility as well as the adoption of a Global Harmonised System guided chemical management system to ensure safe storage and management of chemicals.

Upgrading the effluent treatment plant; LIU undertook a massive expansion of the existing treatment plant to enable improved sedimentation and biological treatment. This greatly reduced LIU's environmental pollution footprint on the nearby fragile lake ecosystem. The quality of the lake water is frequently monitored to ensure this process is efficient.

LIU's direct approach to process optimisation resulted in reduced chemical usage, reduced water usage and reduced energy usage. This was



LIU has continued to invest in cleaner production through increasing resource efficiency and productivity through substitution of old technology with new, optimized technology.

achieved through improved testing and monitoring and the replacement of high-resource consuming with lower and more optimized and resource efficient machinery.

Developing an environmentally concerned employee culture and capacity building employees on emergency response and preventive procedures to minimize on accidents, chemical safety, diseases and overall H&S through intensive and targeted trainings.

"Leather Industries of Uganda Limited (LIU) will stay committed to continuous environmental, technological and product improvement and development to improve our presence on the current global leather market through LWG Membership." Nelson Agaba, Head of Operations, LIU

IPS COMPANIES SHINE AT THE KENYA ENERGY AWARDS

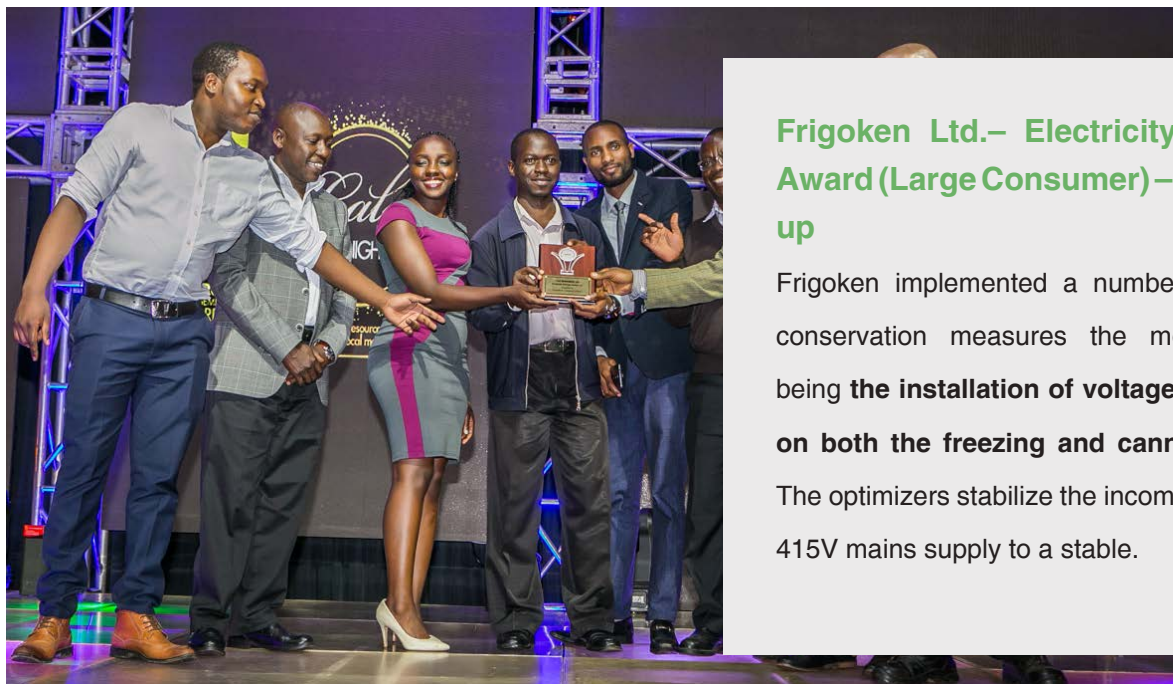


The 14th Energy Management Awards (EMA) took place in April 2018. The award ceremony organized by Kenya Association of Manufacturers (KAM) aims to encourage a culture of energy efficiency and conservation and also recognizes companies that have taken great steps in energy efficiency. The theme at this year's awards was 'setting the pace in resource efficiency towards competitive local manufacturing', awarded over 20 companies that have achieved significant reductions in their energy consumption through implementation of energy efficient measures and technologies. Various IPS companies in Kenya have been recipients of the awards in the past and this year, three IPS companies won awards having made significant cuts in energy consumption in the past one year following their adaptation of energy efficient measures in line with SDG goal 7 Clean and Affordable energy and the country's agenda four goals. The companies managed to save on production and operational costs without negatively affecting their output.



Farmers Choice Ltd. – Best Most Improved Award – Winner

Enhanced staff awareness played a key role in helping the company achieve the savings. The company managed to save **159,000 kWh (3%)** in electricity consumption, **26,818 m³ (19%)** in water consumption and **84,000 litres (12%)** in Heavy Fuel Oil consumption. Aside from efforts in optimising boiler efficiency and performance, the company invested in solar water heating to preheat water, thus reducing the heating load on the boiler. A further **270 kg (2%) LPG savings** were achieved owing to increased consumption of the biogas generated from the effluent plant. *“We encouraged the staff to conserve energy and water in their respective workplaces through simple actions such as closing chiller doors, switching off machines that were not in use, using water more prudently. We would use posters and audio-visual campaigns to drive the point across and constantly remind the staff to be alert for energy/water saving opportunities. We also have a very active energy and water committee that has been instrumental in driving the implementation of conservation initiatives.”* Alice Mumbi, FCL



Frigoken Ltd.– Electricity Savings Award (Large Consumer) – Runners-up

Frigoken implemented a number of energy conservation measures the most notable being **the installation of voltage optimizers on both the freezing and canning plants.** The optimizers stabilize the incoming unstable 415V mains supply to a stable.



Premier Foods Industries Ltd.-Electricity Savings Award (Medium Consumer) – Runners-up

Light retrofitting resulted in an estimated cost savings of **Ksh. 197,024.** The use of Voltage stabilizers in synchronizing motor voltage optimization with demand led to electrical **savings of close to Ksh. 523,000.** Following steam and chilling energy losses, lagging of these lines resulted to savings of **Ksh. 200,000.** Further to this, automation of the steam bath improved energy savings leading to reduced fuel consumption.



Frigoken's regular farmer meetings were not business as usual at their Gaitu and Kibacho collection centres in Meru. Farmers not only learnt about Good Agricultural Practices (GAP) on the day, but in partnership with Cottolengo Mission Hospital and Equity Bank, FKL field staff had organized a wellness day. The wellness day included screening for blood pressure, blood sugar and voluntary testing and counselling for HIV/ AIDS. 15 immediate referrals were made for the farmers whose results were very sensitive. The Equity Bank representative conducted a talk on the basics of financial wellness. The initiative, aimed at bringing health education and services closer to farmers, was a success, with a large turnout of farmers and their family members.

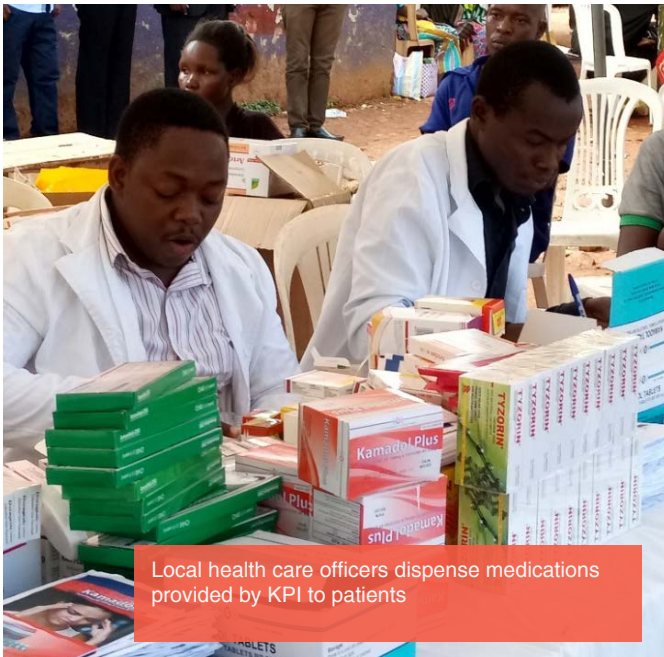
| COMMUNITY

Frigoken educates Meru farmers on health and financial wellbeing

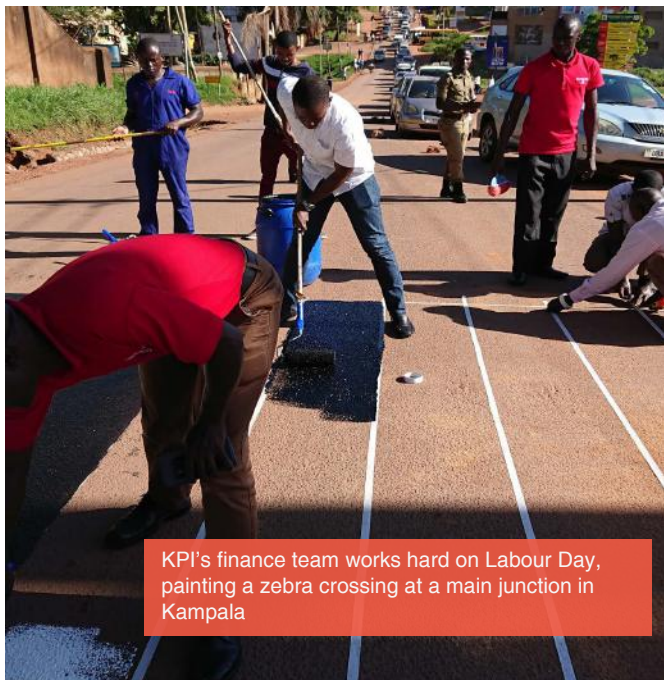
KPI'S COMMITMENT TO COMMUNITY HEALTH

KPI continues to support local health care providers and organizations through provision of medication for their community health outreach programs. KPI employees also volunteered at these health outreach events.

16 varieties of medication were donated for various health issues such as sickle cell, diabetes, HIV, dental health, cancer, malaria and maternal health care and over 3,000 beneficiaries were reached through the local health care providers.



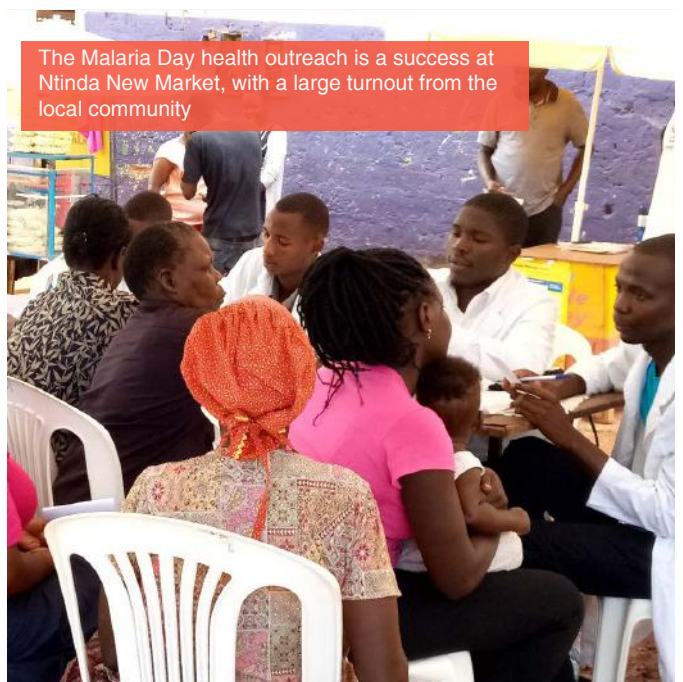
Local health care officers dispense medications provided by KPI to patients



KPI's finance team works hard on Labour Day, painting a zebra crossing at a main junction in Kampala



KPI donates Night Rose and Neem tree seedlings to Kigowa Infant Nursery & Primary School towards controlling malaria



The Malaria Day health outreach is a success at Ntinda New Market, with a large turnout from the local community



KPI staff handover donated medications to the Rotary Club of Kampala Kawempe for their medical outreaches

ALLPACK PROVIDES SUSTAINABLE DEVELOPMENT THROUGH THE YEARS

Students wellbeing



Challenge:

Limited access to health care that results in absenteeism and compromised academic performance

Social and peer pressure faced by pre-teens and teens.

Allpack Initiatives:

- 4 annual health camps held (2015 – 2018) at both the Primary and Secondary schools in partnership with local health care providers such as Shalom Community Hospital and the Aga Khan University Hospital
- 1 eye check up camp held in 2014 in partnership with Lions Club
- Consistent group mentoring sessions by Allpack employees for students in Class 8 to Form 4 on health and social issues

Outcomes:

- **1339 students** (683 girls and 656 boys) have been screened for diseases
- Prominent health issues found are respiratory problems, abdominal infections and urinary tract infections.
- Over 500 students attended group mentoring sessions resulting in students being more confident, self-aware and more motivated.

"Absenteeism has greatly reduced in our school since Allpack started the medical camps, we had a very sick girl with chest problems here last year and I was afraid she would not be able to sit her class eight exams but after she was treated she became healthy enough to sit her exams. We are very grateful to Allpack for such initiatives in our school"

Florence Mainge, Deputy Principal.

Tree growing



Challenge:

The school was dry and very dusty. The students were missing classes due to the fact that they were always getting sick. The reason was clear, the school was sitting in the middle of a huge tract of land with no wind breakers on either side to protect its students.

Allpack Initiatives:

The aim was two pronged; to plant trees to conserve the environment and improve the school grounds while at the same time encourage environmental consciousness and awareness among the students thus encouraging them from an early age how caring for their environment is beneficial to them.

Outcomes:

The team planted **5,970 trees** between 2014 to 2017 and now with the shade and reduced dust, students and teachers can use the outdoor space more for various activities

Access to fresh clean water



Challenge:

The school was in dire need of water; for washing and fresh water for drinking & cooking. The school would have to purchase water, which led to an inconsistent supply and not always clean water

Allpack initiatives:

Primary School – 10,000 litre tank with guttering for rain water harvesting. Secondary school – already had 3 10,000 litre tanks but no source of water. Allpack set up guttering and rain water harvesting systems.

Outcomes:

Both schools now have access to **40,000 litres of water** which are used for washing, cooking and drinking for the students.

A note of appreciation

We wish to express our deep and sincere appreciation for the tremendous help that we have received from your organization. Our school radiates beauty born out of the continuous tree planting exercises conducted by you people. This sustainable commitment has turned an otherwise bare ground to a green park. The free medical camps and continuous visit and check up of our students by your nurse has seen many students remain in class. Donation of books and games uniform has brought growth and excellence in our academic endeavours. These are just but a few of the contribution that this great organization has made in our school. Thanks Allpack Industries. We are and will remain sincerely grateful. Thank you.

Mr. Kitungi, Principal
of St. Augustine Mlolongo high school.

Feeding students the energy-efficient way



Challenge:

School feeding programmes, an essential component to academic success, is expensive to run due to high energy costs

Allpack Initiative:

Allpack partnered with Dorcas Mbinya to build an energy efficient a local resident of Mlolongo and a beneficiary of the GIZ Energising Development (EnDev) Kenya programme, where she learnt how to build energy efficient jikos using locally available, affordable materials.

Outcome:

Transformational cost savings, reducing firewood requirement by **50%**
Reduced smoke emissions by **70%** - better for health of the students and school community as well as for the environment.

INCLUSIVITY IN FRIGOKEN'S SUPPLY CHAIN



Despite the growing awareness for inclusivity in the agriculture sector, persons with disabilities are noticeably absent as growers. A research article compiled by Real Impact in 2013 indicates that, even though 10% of people with disabilities live in Kenya only 1% actually contributes to the agriculture sector.]Barriers include, access to land, social and cultural stigma, physical impairments and lack of knowledge are some contributing factors. Despite this, several persons with disabilities manage to work around their challenges to improve their social and financial status through agriculture. Frigoken prides itself in its zero discrimination policy; it works with farmers without regard to their faith, origin gender and physical ability across its value chain .

Steven Bundi is a 52 year old farmer from Ngare Ndare village in Nanyuki. 18 years ago, while fending for his cattle, part of Steven's right forearm was cut by a chuff cutter. This unfortunate incident did not slow him down, in fact it made him work harder to provide for his wife and five children. He worked as a casual labourer in the Meru region for many years before he was able to acquire land near Ngare Ndare in 2017. In 2018, his



sister introduced him to Frigoken and was registered as a farmer. In February 2018, for his first crop he managed to harvest 450kgs from 3 units. Bundi does not hire any labour, together with his wife they work on their farm ensuring land preparation, weeding, watering and even harvesting of their crops is done properly.

So far, Bundi's experience farming with Frigoken has been excellent. With the Frigoken team providing extension support, information, seed and suggested low cost adaptations such as water pans to ensure he is more productive. *"I always make sure to follow all instructions as advised by the Frigoken team. I have high expectations that I will be able to keep farming until I realise my dream of buying a bigger plot and building a house. For now I am a happy farmer because I can educate my children"*



As always we appreciate and value your feedback. Please send us your comments or suggestions to communications@ipskenya.com