

March 2023

ekaterra's response to BHRRC's query on the allegations featured in the BBC report and questions related to our tea supply chain.

- **We understand that Unilever's Kenyan tea estates are now owned by Ekaterra / CVC Capital Partners, following the sale in 2021, and that Ekaterra produces tea in Kenya under the Liptons and PG Tips brands. Please could you confirm the ownership structure of the estates in question?**

Since July 2022, Unilever's Kenyan tea estates have been owned by ekaterra Tea Kenya which is a subsidiary of ekaterra Global Operations B.V. ekaterra Tea Kenya does not manufacture tea under any brands. The produced tea is sold through auction. Lipton and PG Tips brands owned by ekaterra purchase tea from the auction.

- **Does Ekaterra currently source tea from any James Finlay Ltd. estates in Kenya?**
Yes, ekaterra sources tea from James Finlay Ltd.

- **What steps has Ekaterra taken in response to the allegations? (Please include details of any investigations, information about remedy provided to affected workers, and how you will ensure they are not penalised for speaking out)**

Firstly, we would like to assure you that we do not tolerate any violence or abuse of people working across our organisation and are taking the allegations involved extremely seriously.

Upon becoming aware of the allegations we instantly suspended the individuals in question and launched a full independent inquiry using external investigators. We will ensure our follow-up actions are appropriately stringent. Both have now been reported to the Police and the Directorate of Criminal Investigations and the Company is fully cooperating with Law Enforcement Authorities as they carry out independent investigations. The two managers subsequently resigned and have since have been barred for life from all Company premises.

The Company will support the impacted women who, the investigation will identify, through the established facilities, including by providing psychosocial support and medical care as well as legal support and representation.

At this stage, we have already decided to implement several measures:

- opening up a new independent and anonymous channel for our employees in which they will be able to share their views on how to improve the safety of our work environment and report. This channel will come on top of the existing reporting mechanisms that employees currently use for reporting breaches of our Code of Business Principles;

- setting up an independent oversight body with external members, including prominent NGOs, for the people processes, such as hiring, promotions and performance management and taking measures to instill confidence in the workforce and our stakeholders at large;
- looking at the composition of our management. While 45% of our managers are women, the majority of our team leaders are still men. We will increase female representation at this critical level, and
- increasing our contribution to local authorities in community programs to address the significant underlying social issues in the region. We are currently identifying the best partner to ensure we make a meaningful contribution to local communities.
- **What steps does Ekaterra take to implement its policies relating to GBVH and prevent, address, and remedy cases of GBVH occurring on its own plantations and in its supply chain? (Please share relevant policies, code of conduct or other documents)**

ekaterra has developed processes and systems to detect and prevent violence, abuse, harassment, or any other Sexual and Gender-Based Violence, including a confidential reporting process, extensive training, monitoring in our operations, and safeguarding and counselling for those affected, which include:

Prevention:

- Tailormade training & awareness on SGBV
- Infrastructure improvement including village security lights and house expansion as well as security measures including village alarms, patrols, reporting & control room
- Women's Collective Action is an initiative that focuses on incentivizing women to work together to address social issues including SGBV,
- He4Them is an initiative that aims to provide men with the confidence to speak up about SGBV issues and help them find peer-to-peer support,
- The Kings and Queens Club that trains children on child rights and child abuse.
- Artisanal skills trainings, resource centers & self-help groups
- Annual SGBV surveys & action plans

Detection:

- Enforcement of Violence Prevention and Management Policy
- Reporting channels include a toll-free hotline, trained counsellors, welfare teams, and the estate manager.
- Monitoring through Dignity Enhancement Committees
- SGBV data analysis and trends monitoring

Response:

- Internal governance framework for disciplinary process and sanctions
- Hospital with trained SGBV clinicians
- Safe shelter
- Support to survivors through Psycho-social counseling, Rescue Center and medical care.
- Partnerships with police and judicial to give justice to survivors

[Our Code of Business Principles.pdf](#)

Our inquiry is also looking into the underlying issues that the BBC report has raised, and it will make recommendations on what changes to our process and systems are needed. We will welcome all suggestions to that end from those who wish to contribute to a continuous improvement of the safety of our work environment.

- **Some of the cases of abuse were allegedly perpetrated by employees of third-party labour suppliers recruiting women for jobs on the plantations. Please give details of the due diligence Ekaterra takes and the requirements you place on third-party labour suppliers with regards to preventing, identifying and remedying GBVH?**

ekaterra Tea Kenya does not outsource any core jobs to third-party labour providers. We have only outsourced part of our security guarding operations to a 3P labour supplier, who are mandated to adhere to and implement the Responsible Sourcing Policy as well as the Code of Business Principles. They are also trained on the sexual harassment policy and SGBV. Due diligence is done prior to contracting, including assessing the third-party's records on GBVH. All the employees employed by the third-party supplier have access to all the reporting channels available to our regular employees to report any GBVH cases. During contracting ekaterra also audits the third-party specific Policies on GBV and Grievance handling to ensure they exist and are aligned to ekaterra policies

- **Please give details of the mechanism that concerned groups, civil society organisations, trade unions, and others can use to advise your company of a problem on your plantations and in your supply chain and the process in place for responding to concerns raised through this mechanism.**

Multiple reporting channels and grievance mechanisms as well as elaborate investigations procedures are in place. Concerns can be raised through: a toll-free line, confidential business integrity hotline, a manager an employee trusts as well as through the contacts of senior leaders well communicated and displayed across all sites. Employees can also report through the existing grievance committees including the workers welfare committees, the village elders, and the Dignity Enhancement Committees. Once a concern has been raised through these mechanisms, thorough and elaborate investigations are done, and internal disciplinary procedures implemented. All cases of GBVH are reported to the police. Ekaterra applies a survivor center approach to ensure that all survivors are treated with respect and dignity.

We have regular scheduled meetings with the Trade Union officials as well as employee representatives (shopstewards) during which any concerns, issues or advice on GBVH can be raised. Such meetings can be convened on an ad hoc basis as the need may be. The Union officials as well as shopstewards have unfettered access to the HR team and other senior business leaders where they can raise any issues or concerns related to GBVH.

- **The BBC documentary has again highlighted the importance of transparency from companies about where they source tea - to enable workers, unions and civil society to bring these kinds of serious rights abuses to the attention of brands and**

retailers, and ensure that they are remediated – and to ensure that brands are not erroneously linked to suppliers they do not source from. Following these allegations, does Ekaterra intend to publicly disclose its tea supplier list? If yes, please could you indicate the time frame for this? If no, please could you explain why Ekaterra does not intend to publish its supplier list at this time?

ekaterra's sourcing list for 2021 is available on the company's website. [ekaterra list of suppliers 2021.xlsx \(ctfassets.net\)](#) The list is annually updated and shared on the company website.