



ISO 9001:2008 CERTIFIED

NYAYO TEA ZONES DEVELOPMENT CORPORATION

CORPORATE SOCIAL RESPONSIBILITY POLICY

APRIL, 2014

1. BACKGROUND INFORMATION

Nyayo Tea Zones Development Corporation was established in 1986 as a State Corporation to protect and conserve the country's gazetted forests. The Corporation promotes forest conservation by providing buffer zones of tea and assorted tree species to check human encroachment into the forestland.

2. VISION

To be a leader in conservation of forests and protection of the environment.

3. MISSION

To effectively protect the gazetted forest cover, achieve high quality tea and fuelwood production and build a profitable Corporation.

4. CORE VALUES

The Corporation is guided by the core values of integrity, professionalism, teamwork, commitment and respect for each other in the conduct of its business.

5. NTZDC CORPORATE SOCIAL RESPONSIBILITY POLICY

I. Introduction

Nyayo Tea Zones Development Corporation has integrated Corporate Social Responsibility among its business practices to boost its corporate presence and image; and at the same time participate in wider social and environmental gains as a sensitive corporate citizen. This is intended to improve and sustain relationships with key stakeholders including employees, communities, consumers and the general public. In addition, as the Corporation ventures into value addition, it is expected that closer links with consumers and communities through CSR activities will lead to greater awareness of their needs, which will result in improving the competitiveness of NTZDC products.

Therefore, as a commercial entity operating in a modern business environment, the Corporation will proactively engage in CSR activities across its operational areas to improve its relations with all its stakeholders including the county governments, boost its corporate image, and leverage its competitiveness in the local and international markets as it launches its tea products.

Purpose:

Nyayo Tea Zones Development Corporation has developed this Corporate Social Responsibility (CSR) Policy to guide the Corporation in the implementation of its CSR activities as envisioned in the Strategic Plan 2010-2015 and its operational business plans in light of the economic, social, political and other factors around the Corporation's working environment.

In particular, the CSR Policy considers, among other factors, the corporate and public implications of NTZDC business operations and the Corporation's relations with neighbouring communities, staff and other stakeholders.

This policy is therefore intended to guide the Corporation to fulfill its mandate of forest conservation, tea production, tea processing and marketing in light of the interests of the Corporation's stakeholders; and the ethical principles expected of a socially responsible organization, including social equity, community involvement and development, organizational governance, integrity and fair operating practices.

The Managing Director shall be the custodian of all the Corporation's Corporate Social Responsibility activities, and shall guide NTZDC Corporate Social Responsibility programmes through the relevant departments in the Corporation.

II. Corporate Social Responsibility Activities:

The NTZDC Corporate Social Responsibility shall be geared towards complementing the Corporation's mandate, including but not limited to the following activities:

1. Construction of community tea collection centres in its operational areas on a need basis and labeling them as NTZDC CSR projects, starting with completion of structures already built.
2. Upgrading and maintenance of priority rural access roads in the operation zones and utilize community labour where possible.
3. Support community groups who have mutual benefits with the Corporation in the zones.
4. Revive the afforestation programme by supporting tree nursery establishments to raise seedlings for planting in communal lands and institutions.

5. Identify degraded areas outside the buffer belts around the gazetted forests and rehabilitate them in partnership with surrounding communities/schools.
6. Support community projects like classrooms and toilet blocks in selected schools around NTZDC operational areas.
7. Establish a bursary to sponsor regular pluckers' bright children joining secondary school.
8. Establish and equip dispensaries in the Corporation's factory sites to cater for workers and neighbouring communities.
9. Provide clean piped water or treatment of spring water where the Corporation has labour lines and tea buying centers.
10. Organize and participate in field/open days to sensitize communities on conservation activities.
11. Introduce annual staff and stakeholder interaction events e.g. NTZDC Sports Day and Corporate Day.
12. Participate/donate to worthy causes e.g. Freedom from Hunger Walk, Annual Heart Run, Conservation Marathon.
13. Introduce the NTZDC Conservation Marathon.
14. Partner with other organizations engaging in or willing to fund the Corporation's CSR activities.

III. CSR Financial Allocation

The Corporation shall allocate two (2) per cent of its annual revenue for CSR activities. The CSR thematic areas and scope of activities will be distributed as shown in the matrix below:

Thematic Areas	CSR Scope	Allocation Percentage	Revenue Percentage
Education Support	<ul style="list-style-type: none"> • Support Community Schools • Scholarships/Education fund • School infrastructure/buildings 	30%	0.6%

	<ul style="list-style-type: none"> • Staff Welfare support 		
Philanthropy/Donations	<ul style="list-style-type: none"> • Donations to disaster responses • Donations to charitable causes • Support to vulnerable and disadvantaged groups • Employee volunteering 	30%	0.6%
Community Livelihood Support	<ul style="list-style-type: none"> • Community projects support • Establishment of tree and tea nurseries • Water projects • General welfare support 	40%	0.8%
TOTAL		100	2%

IV. CSR Activities Evaluation

The Managing Director shall constitute a CSR committee comprising of relevant departments to prepare annual CSR plans and budgets. The committee under the delegation of the Managing Director shall annually evaluate the CSR activities and benchmark the progress with the current and emerging corporate social responsibility issues that may relate to the Corporation’s policies and activities.

CSR Policy Review:

The CSR Committee shall annually review and evaluate the Corporation’s performance and compliance with this policy; and shall recommend any necessary changes to the Managing Director for approval.
