



MARKET

In 80 years of operations EAPCC has played an important role in Kenya's economic history.

Some of the oldest and most iconic buildings in the country, structures which are synonymous with this nation's national and international identity, for example the Kenyatta International Conference Centre (KICC), Kipande House and the Co-operative Bank Headquarters, were constructed using Blue Triangle Cement. These structures stand not only as living monuments to our resilience and progress as a country but also the durability and strength of Blue Triangle Cement.

Since 1933 the East African Portland Cement Company has been Kenya's leading cement manufacturer producing world class cement. By providing the 'lifeblood' of the construction industry since the nation's inception, cement, we have helped build Kenya from the ground up in areas such as housing, education, health, tourism, transport and communication.

Blue Triangle Cement, our flagship brand, is well appreciated all over Kenya as a symbol of quality and reliability. The nation's historical structural icons, such as KICC, have been built using Blue Triangle Cement. The nation's future structural icons, such as the Thika Superhighway and Chemususu Dam, have been built using Blue Triangle Cement.

EAPCC has garnered a market share of over 22% which represents a turnover in excess of 4.5 billion.

ACHIEVEMENTS

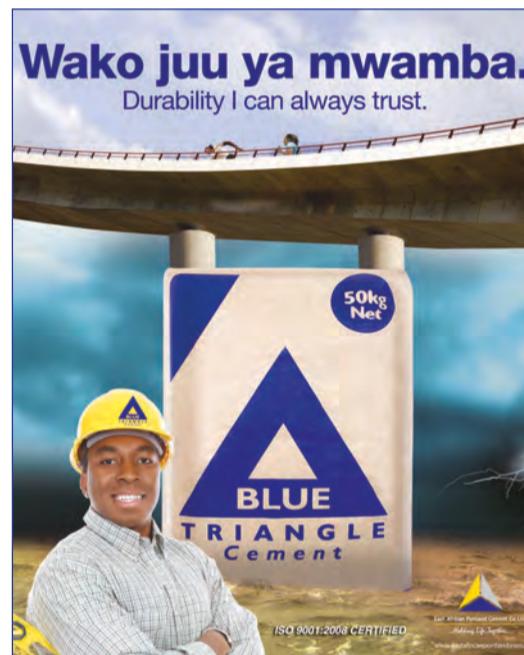
ISO 9001: 2008 - EAPCC was certified on the 26th June 2009 as having developed and implemented the Quality Management System ISO 9001:2008.

The scope of the certification covers limestone and kunkur mining and clinker and cement production.

The Company underwent a successful re-certification audit to confirm compliance to the requirements of the ISO 9001:2008 Quality Management Systems. It was awarded with the certificate for continued certification on July, 21st

2012 by the Kenya Bureau of Standards.

The Company operates within the disciplines and control of ISO 9001:2008 to realise the key benefits of customer satisfaction, consistency in product quality, enhancement of shareholder value through performance measurement, analysis and adoption of appropriate improvement strategies and enhancement of integration of business processes through effective process interactions.



The Company is committed to this standard to ensure effective customer satisfaction.

OHSAS 18001: 2007 - In November 2010, the Company attained the prestigious Occupational Health and Safety Assessment System OHSAS 18001: 2007. OHSAS 18001:2007 is an international occupational health and safety management system (OH&S) which enables organisations with the elements of an effective OH&S system that can be integrated with other management functions seamlessly and deliver efficiencies while safety. With OHSAS certification in place, organisations reduce their risk exposure and improve profitability and sustainability.

Specifically, OHSAS certification:-

- Reduces operating costs.
- Offers potential reductions in the cost of insurance premiums over time.
- Reduces accident costs.
- Reduces the risk of damaging publicity.
- Provides a public demonstration of due diligence.
- Reduces accident investigation time.
- Lowers staff turnover as well as increases environmental awareness among staff.
- Regular Safety, Health and Environmental surveillance audits are carried out to ensure continual improvement.

HISTORY

The East African Portland Cement Company started as a trading company importing cement mainly from England for early construction work in East Africa. It was formed by Blue Circle Industries United Kingdom. The name Portland was given due to the resemblance in colour of set cement to the Portland stone that was mined on the Isle of Portland in Dorset, England.

It was not until February 1933 that the Company was incorporated in Kenya with the first factory in Nairobi's Industrial Area. The Company had one cement mill (Mill No. 2) and used to import clinker from India. The production capacity was about 60,000 tonnes of cement.

In December 1956, construction of the Athi River facility started. The factory was commissioned in 1958 and consisted of a Rotary Kiln (Wet), a big cement mill (Cement Mill 1 and 3) which significantly increased production capacity to 120,000 tonnes per annum.

In the last few years, EAPCC has greatly expanded its production capacity. With the introduction of Mill No. 5 and the embrace of Coal energy, the Company can presently produce over 1.3 million tonnes of cement per annum at reduced cost. Furthermore, the Company's recently implemented ERP system was recognised as the best for 2011.

The Company now has fully automated business processes which means complex paperwork is now largely a thing of the past; from the offices of top Management to the Factory floor. With these and other innovations, EAPCC is ready for the future today.

Historical Milestones:

1933 - EAPCC registered. The first cement manufacturer in East and Central Africa. Capacity of 60,000 tonnes per year with one mill.

1934 - Cement deliveries begin

1956 - Athi River Factory construction begins

1957 - Athi River Factory complete. Two mills added to bring total mills to four. Capacity doubles to 120,000 tonnes a year.

1974 - A new rotary wet kiln commissioned. Capacity rises to 300,000 tonnes a year.

1979 - Fourth mill added. Mill number three upgraded. Capacity rises to 340,000 tonnes a year.

1996 - Brand new kiln commissioned. New Mill added. Bigger limestone crusher added. State-of-the-art pre-blending system added. Capacity doubles to 600,000 tonnes a year.

1997 - Company changes cement manufacturing process from wet process to dry process.

2007 - Company conducts groundbreaking for new mill.

2009 - New mill commissioned. Capacity doubles to 1.3 Million tonnes. EAPCC acquires ISO 9001: 2008 certification.

2010 - EAPCC implements ERP system which



automates all business processes.

2011 - EAPCC receives recognition from Computer Society of Kenya for Best ERP system implementation
2012 - Kenya Bureau of Standards renews EAPCC ISO re-certification after bi-annual surveillance audit of business processes and procedures over a period of three years.

PRODUCT

Cement is EAPCC's flagship product. Blue Triangle Cement, which is manufactured under strictly safe and environmentally friendly conditions, conforms to the regional standards — KS EAS 18-I: 2001 (Previously Kenya Bureau of Standards - KS 1725:Part I: 2001, equivalent to EN 196).

Blue Triangle Cement is widely used for all cementing, mortar and concrete building applications. EAPCC also produce custom-made cement products for the construction trade.

Blue Triangle Cement CEM I 42.5R, commonly known as Ordinary Portland Cement (OPC) is available in 50-kg bags and 40-tonne tankers (bulk). OPC is generally used in the following applications:-

- Pre-cast concrete items, such as paving blocks, tiles, building blocks.
- Pre-stressed concrete components.
- Runways, concrete roads, bridges.
- General civil engineering construction work.
- Asbestos products, such as sheets and pipes.
- Non-structural works, such as plastering, flooring.
- Blue Triangle Cement CEM IV/A 32.5 N, commonly known as Portland Pozzolanic Cement (PPC) is available in 50kg bags and 40-tonne tankers. PPC is ideally suited for the following construction applications:
- Hydraulic structures.
- Mass concreting works.
- Marine structures.
- Masonry mortars and plastering in classified conditions.

RECENT DEVELOPMENTS

EAPCC recently opened a factory outlet on Mombasa Road at the Rapid Kate complex go-down.

BRAND VALUES

Vision - To be the Regional Leader in the Provision of Cement, Innovative Cement Products and Solutions.

Mission - To provide Cement for Infrastructural solutions to the satisfaction of our stakeholders.

CORE VALUES

Teamwork: EAPCC promote respect, unity and commonness of purpose amongst staff. They also promote and encourage exchange of ideas and openness.

Integrity: EAPCC embrace a culture that promotes honesty, transparency, accountability and professional ethics.

Customer Focus: EAPCC are dedicated to meeting customer expectations.

Timeliness: EAPCC promote timely delivery of high quality products.

Innovativeness: EAPCC encourage creativity, embrace positive change and reward innovation.
Commitment: EAPCC ensure peak performance, enthusiasm and excitement for work.

EAPCC are committed to better and brighter lives for communities they operate in, and the nation at large, by sponsoring a wide range of development projects through their Corporate Social Responsibility investments. EAPCC believe passionately in education and they consistently support brilliant but disadvantaged children as well as building classes, dormitories and boreholes to support learning in hardship areas.

EAPCC customers rely on their commitment to deliver quality and value. They are an ISO 9001: 2008 Certified company, a mark of their professionalism and high standards in operations.

EAPCC is also OHSAS certified (Occupational Health and Safety), a mark of their world class standards of safety at the workplace. In 2011, EAPCC received recognition from the Computer Society of Kenya for Best

ERP Implementation, reflecting the successful automation of all their business processes from factory floor to Management.

All staff of East African Portland Cement Company matter. From support staff to management, their employees receive continuous training to keep their skills updated. They are also encouraged to pursue higher studies. Although EAPCC have some of the most diverse and qualified resource pool in the nation, they encourage continued staff development.

EAPCC engage in continuous product improvement as well, pegged on changing market trends, technological advancement and dynamic customer needs and wants. Their commitment is

to sustain customer satisfaction. Growth, expansion and sustained profitability are the guiding principles of their business model. Their permanent base in Uganda gives them a foothold in the region and they continue to expand their regional operations even as they grow their market share in Kenya.

Continuing with

their long history of corporate social awareness, the Company's aim is to contribute to a sustainable future in all regions in the country.

EAPCC has invested in the drilling and repair of boreholes in Sultan Hamud (Nkama Location)



and various water scarce areas. This has ensured that the people in these areas have access to clean drinking water. In Sultan Hamud the Company has dug five boreholes and five dams in the region.

The Company has also invested in the Kasoito Village community through provision of clean water by laying pipes to their homes and the village school in Kasoito.

Education is particularly important to the Company because it benefits society at large and the Company in particular by providing the highly qualified personnel it needs to run its complex operations and various sophisticated machinery used in the manufacture of its world-class cement.

Kajiado Central Area and Kabini hill (Sultan Hamud) where the company has significant quarry operations is a water scarce region. Considering that the residents are pastoralists the loss of countless livestock eradicates the communities' earning power which forces children to drop out of school.

In the last financial year the Company donated bursaries worth KSh 1,500,000 to needy students in the greater Kajiado Central area. This is on top of the annual Shs500,000 bursary to the Kabini Hill community.

Gathuthiini Primary School in Kagio, Kirinyaga District, has also benefited from investment by EAPCC in an ultra-modern ablution block for both students and teachers. Before, the students were forced to use rundown facilities which posed a health and safety hazard. With the new facilities, the students can now enjoy washroom services in dignity and hygiene. Furthermore, the Company is sponsoring four bright but disadvantaged students from the school through several national secondary schools.

www.eastafricanportland.com



Things you didn't know about EAPCC

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EAPCC have been the Main sponsors of the Kenya Homes expo fourth year running which is held bi annually at KICC

EAPCC are the main sponsors of the amazing SofaPaka Football Club

Superbrands