



Future-proofing *agriculture*

2020



Who we are

Kakuzi PLC was incorporated in 1927 and is a listed Kenyan agricultural company trading on both the Nairobi and London securities exchange and engaging in the cultivation, processing and marketing of avocados, blueberries, macadamia, tea, livestock and commercial forestry.



About the report

This report represents our holistic approach to measuring our Economic, Social and Environmental impact across our business.

The report also highlights our commitment to sustainability, aligned with the UN Sustainable Development Goals (SDGs) framework.

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Our Mission

Our mission is to consistently produce quality products, responsibly, sustainably and ethically



Our Core Values

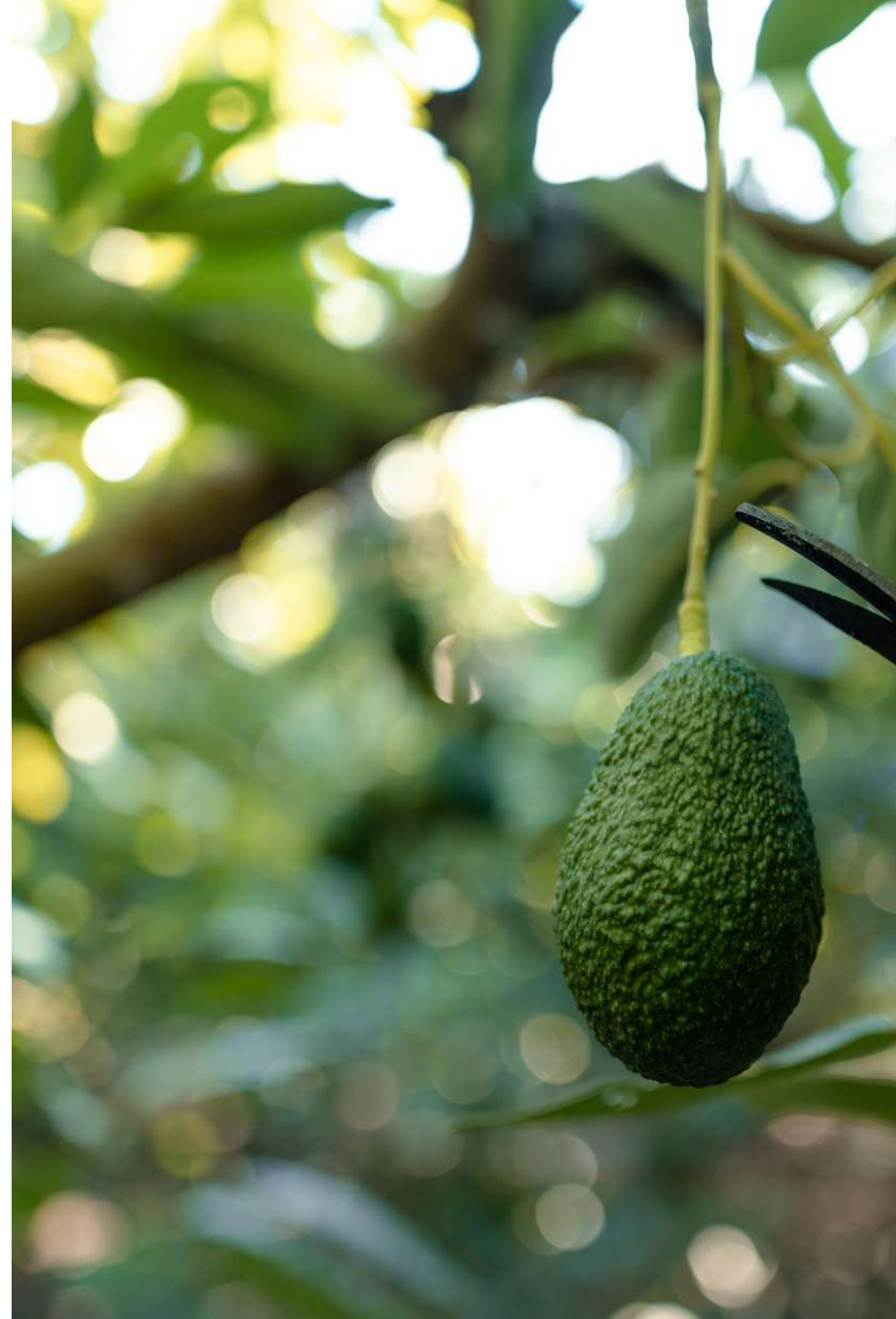
To act honestly, fairly and with integrity and respect in all business dealings

To respect the dignity and well-being of all those people who work for us

To support environmental sustainability and biodiversity conservation

To respect and contribute to the communities that are in and around our business

To ethically produce safe and quality products consistently





Our Vision

Our vision is to be a global leader - your preferred producer and supplier of quality agricultural products



Our Community

Our community is made up of both internal and external stakeholders. Our employees and their families, some of whom reside in our villages, form our internal community. Our external community comprises our business partners and communities around Kakuzi that we support.



Our Value Creation Model

SDGs

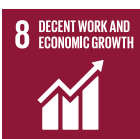
Anchors

Our Capitals

The Process

Output

Outcome



Environmental



Social



Governance

Natural
Land | Water | Energy

Intellectual
Produce quality

Human
Employees
Communities that we work with

Financial
Investments out in to ensure the best quality in produce

Manufactured
Farms | Factories
Cold rooms | Fleet



Product safety
- Post-harvest handling
- Accreditations

Sustainable resource consumption
- Efficient water use
- Waste management
- Recycling

People
- Skills development
- Career progression
- Diversity management
- Community empowerment

Product quality
- Products that are responsibly, sustainably and ethically produced

Accreditations
- Rainforest Alliance
- FSSC 22000
- Global G.A.P.
- Halal Certification
- Diamond Mark of Quality

Customer value
- Consistency in quality and delivery

Investors
- Return on investments
- Share holder value

Employee welfare
- 2,500 employed directly & 10,000 indirectly
- Good health & wellbeing programmes
- Human rights programmes, assessment & continuous audits
- Operational grievance mechanism

Regulatory Compliance
- Taxes paid
- Continuous streamlining with all required regulations

Community Impact
- Ready market for 3,500 smallholder farmers
- Extension services
- Clean water and sanitation
- Education
- Environmental conservation
- Good health and wellbeing
- Improved infrastructure e.g., roads and schools

Our Leadership





We are committed to sustainable agriculture, the communities around us, safeguarding the climate and promoting good employment practices.



Chairman's Statement

Sustainability continues to take centre stage in many business operations across the globe. At Kakuzi, we continue to pursue sustainable agriculture and our report in this second issue is about future-proofing agriculture. Our production processes today have the future in mind; we will meet our agricultural needs as we ensure that future generations will be able to meet their own needs.

Kakuzi is a big avocado exporter and this report gives an overview of the fruit's journey from planting through to packaging and what happens in between. Further, the company's efforts to diversify produce portfolio is paying off with blueberry farming taking shape.

This report places our material issues under four categories: Climate, Governance and Integrity, Our Community and Human Rights and demonstrates our active involvement.

To empower the host community in the semi-arid region of Machakos, Kakuzi introduced beekeeping as a project under its Corporate Social Responsibility. The company trains residents under their self-help group and provides them with free hives. Kakuzi also has a programme that gives smallholder farmers access to global markets. The programme, which provides small-scale avocado growers with access to best practices and international market for their fruits, has attracted farmers not only from

Kakuzi's local community, but also from other neighbouring communities.

In our sustainability journey as we curb climate change, we fully rely on rainwater in our orchards. The report gives details of how we harvest the water in 19 earth dams, how we use it for irrigation and how we preserve moisture around our crops through mulching.

We engage in regenerative agriculture through practices that encourage soil health rejuvenation such as planting cover crops, minimum tillage, reducing the use of artificial fertilisers and sustainable livestock rearing. Kakuzi has a policy on managing waste which tackles waste avoidance, reducing, reusing and recycling. Some organic wastes such as macadamia husks are composted while others are used as mulch. Liquid waste is broken down in biodigesters and waste stabilisation ponds.

To help safeguard and uphold human rights, the company commissioned an assessment of human rights impacts across its operations. The assessment will help us build a solid strategy to manage human rights risks, strengthen policies and processes, and effectively manage internal and external stakeholder engagement. The company also promotes diversity and inclusion and has a policy that creates equal opportunities for all.

We are committed to sustainable agriculture, the communities around us, safeguarding the climate and promoting good employment practices.

Enjoy reading our report, "Future-proofing agriculture."

— Nicholas Nganga



As part of our employee support programmes, we have put in place measures to ensure their health care needs are taken care of; their children have access to education and that they have good housing as well as potable water.



MD's Statement

For almost 100 years, Kakuzi PLC has not only been at the forefront of pushing the boundaries in agriculture, but more recently also setting the pace in entrenching sustainability in our operations. We have been pioneers in sustainability in Kenya and we are now reaping the fruits of our efforts. As a company, we believe that sustainability is not just a catchphrase, but a must-have for any company that expects to successfully navigate an uncertain future due to climate change.

Our operations, which involve the cultivation, processing and marketing of various products, certainly have an impact on the environment. However, what is critical for us is how we mitigate the adverse effects from our processes to ensure that the carbon footprint on the environment is as minimal as possible and ultimately, where possible, to drive our agricultural operations to have a positive impact on climate change.

We have been making positive steps in the right direction on this journey and our future strategies are centred around enhancing these.

This is a responsibility that we take very seriously and which keeps us on the edge of innovation in our various product lines.

For instance, we have implemented regenerative agricultural practices designed to have minimal impact on the environment and capture carbon from the atmosphere into our soils.

We practice a combination of fertilising our crops with organic and where required inorganic compounds. However, to ensure we use inorganic compounds as efficiently as we can, we have invested in fertigation technology. This is a process that applies the precise amount of fertiliser to the plant roots through a well-managed irrigation system. The amount we apply is carefully calculated after undertaking detailed annual soil and leaf analysis.

At the same time, we have instituted a rains management system – what we call stretching the rains – to ensure that the vast majority of our water requirements are obtained from rain which falls on our fields. The rains management system involves a catchment preservation programme that has seen us set aside a critical proportion of our land, an instance of sacrificing resources in the short-term, for the long-term good of the environment.

As I mentioned, we aspire to see agriculture having a positive impact on the environment through capturing carbon into the soil and using farming methods that effectively lead to reduced use of inorganic fertilisers. As part of this, we have also instituted commercial trials in a pest and crop disease management system that uses natural methods of control rather than use of chemicals, further reducing our carbon footprint.

We appreciate that no company can operate in isolation. Thus, at Kakuzi, we place emphasis on the community that has given us the licence to trade. We see the community as a critical pillar in our sustainability journey. As a result, we have embraced them in this journey and we are continuously looking for ways to enhance this relationship as we walk together.

As part of this journey, we support avocado out-growers in our neighbourhood and all over the country by giving them access to our packaging facility, our supply chain and export markets for their produce. This has benefitted the farmers, who previously had to deal with chains of middle men with very little income coming back to them. Today, we have many inspiring stories of farmers whose lifestyles have changed for the better after they started working with us in the processing, packing and marketing of their products.

To further improve their crop and meet the quality demands of the market, we have established an Avocado Academy with the aim of imparting avocado farming skills to the farmers to assure them of good farming practices that result in a good crop. The uptake has been good and we expect to see continuous improvement in the products that are being received at our export facilities.

In order to improve the livelihoods of those in the community, majority of our staff are employed from the neighbourhood either directly or indirectly, therefore impacting more than 3,000 employees directly and over 10,000 workers indirectly. A good number of these beneficiaries are youth and women.

Internally, we place a premium on the people who work for us. It might sound cliché, but without our employees, there would be no



As part of this journey, we support avocado out-growers in our neighbourhood and all over the country by giving them access to our packaging facility, our supply chain and export markets for their produce.



Kakuzi. That is the reason why we place emphasis on gender equity, their well-being – both physical and mental – to ensure they

work in a safe environment where they can thrive.

As part of our employees' support programmes, we have put in place measures to ensure their healthcare needs are taken care of; their children have access to education and that they have good housing as well as potable water.

To ensure that matters related to sexual harassment are tackled expeditiously, we have initiated a programme known by the acronym SHARP, designed to provide any aggrieved employees with an innovative reporting mechanism whenever such incidents occur. The management handles such matters expeditiously following all the channels that are available to us.

We have also instituted measures to ensure employees' human rights and those of the surrounding community are firmly rooted in our operational guidelines. At Kakuzi, we have a well laid out Operational Level Grievance Mechanism called SIKIKA, that ensures a timely, credible and legitimate way of dealing with any issues.

The sustainability initiatives I have mentioned have not gone unnoticed: Kakuzi has received several global accreditations, including the SEDEX Gold Award for our SHARP Programme and FSSC 22000 accreditation that recognises that throughout the journey of the avocado – from farm to supermarket shelves – quality is not compromised.

We have also received Rainforest Alliance and Global GAP accreditation for delivering food with minimal impact on the environment.

The success of our sustainability could not have been possible without the unwavering

support of the Kakuzi PLC Board members who have provided invaluable policy guidelines; the management and staff for their dedication and commitment to the company and to the community who have worked closely with us to ensure that ours is a mutually beneficial relationship and the governments – both National and County – who continue providing us with an optimal operating environment.



10,000

Kakuzi has employed 3,000 employees directly and over 10,000 workers indirectly

Board of Directors

The Board meets quarterly and is responsible for establishing the corporate governance pillars, setting the strategic direction, reviewing business performance and supervision of the management of our operations. The directors have the knowledge, experience, autonomy and skills which enable them to carry out their responsibilities.



Nicholas Nganga
Chairman of Kakuzi PLC Board

He is a holder of a BA degree from Makerere University and served as Permanent Secretary in the ministries of Finance, Foreign Affairs and Health. Mr Nganga has been extensively involved in the tea industry and was Chairman of the Tea Board of Kenya.

He is a past Chairman of the National Bank of Kenya and Safaricom PLC. Currently, he is the Chairman of G4S Security and Car & General Kenya Ltd.



Daniel M. Ndonge
Independent Director of Kakuzi PLC and Chairman of the Audit & Risk Committee

He is a chartered accountant by profession, having worked with Deloitte & Touche for over 30 years, 20 of which he was the Managing/Senior Partner. He holds a Bachelor of Commerce degree from the University of Nairobi. He is a fellow of the Institute of Chartered Accountants in England and Wales, the Institute of Certified Public Accountants of Kenya and the Institute of Certified Public Secretaries of Kenya.

Mr Ndonge is also the Chairman of I&M Holdings Ltd, AccessKenya Group Ltd and AutoXpress Ltd.

He is currently also on the Board of Directors of KenolKobil Ltd and APA Insurance Ltd.



Stephen Waruhiu
Independent Director of Kakuzi PLC

He is a licenced valuer and estate agent. He is the Managing Director of Lloyd Masika Limited. He is also a Director of Rea Vipingo Plantations Limited and has been practising as a valuer and estate agent in Kenya as well as in Tanzania and Uganda, for over 35 years.



Dr John Kibunga Kimani
Non-Executive Director Kakuzi PLC

He is a holder of a Bsc degree in Agriculture from Makerere University, an Msc degree in Agricultural Economics from Reading University and a Phd in Development Studies, Economics and Socio-anthropology from University of Sussex. Dr Kimani is a member of the Agricultural Society of Kenya as well as a member of the Avocado Exporters Association of Kenya. He is also a fellow of the Economic Development Institute of the World Bank.

Dr Kimani has extensive experience in the agricultural sector (public and private) including planning, development and administration of small-holder agricultural extension programmes at county level, developing and managing small-holder irrigation projects and preparing long-range plans for land and water resources across Kenya. Notably he led the planning team in the Tana and Athi River basins embracing six districts of the former Central, Eastern and Coast provinces of Kenya. He has worked with government agricultural projects aided by the World Bank, SNV of the Netherlands, JICA of Japan, DANIDA of Denmark and GTZ of Germany.





Andrew Ndegwa Njoroge
Independent Director of Kakuzi PLC

He is a Chartered Accountant by profession. He holds a Masters of Business Administration degree from the University of British Columbia, Canada. He is a Fellow of the Institute of Chartered Accountants in England and Wales.

He is currently also on the Board of Combrok Ltd and Kinandu Ltd and a director at Great Rift Valley Lodge PLC.



Graham Mclean
Non-Executive Director of Kakuzi PLC

Mr Mclean, a qualified agriculturalist, was appointed as Director of Agriculture of Camellia PLC in October 2014.

He was previously Regional Director of Camellia PLC's operations in Africa which included the role of MD of Kakuzi PLC from January 2005 to March 2013 and has worked for the Camellia Group for more than 25 years.

He was Chairman of Kakuzi PLC from 2017 to 2020 and remains a non-executive director of the Company.



Christopher Flowers
Managing Director of Kakuzi PLC

He was appointed Managing Director for Kakuzi PLC in 2013.

Mr Flowers holds a Bachelor's and Master's degree in agriculture and engineering. His career has spanned over 25 years in agricultural companies in Tanzania, Malawi, Uganda and Kenya.

Working initially with CDC in Tanzania, Malawi and Uganda, he later joined Finlays before taking up a post in the tea trade in Mombasa.

Chris returned to Tanzania in 2002 working for Mufindi Tea and Coffee Company. He has sat on a number of tea trade and tea research bodies and is also a published writer on tea technical and agronomic matters.



Ketan Shah
Finance Director of Kakuzi PLC

He was appointed Finance Director of Kakuzi PLC on August 28, 2007.

Mr Shah is a qualified Accountant being a member of the Institute of Certified Public Accountants of Kenya and a fellow member of The Association of Chartered Certified Accountants, UK.

He did his training and qualified with a professional accounting firm in Nairobi, before joining Coopers & Lybrand, where he worked for 4 years.



Senior Management



SIMON ODHIAMBO
Executive Head -
Corporate Affairs

He is a social scientist with experience working with communities in implementing development and relief interventions.

He is a competent Public Health professional with a BSc in Environmental Health and currently undertaking his MPH studies.



DENNIS WEDD
Executive Head -
Agriculture

He is a qualified Agricultural Engineer with over 19 years' experience in Horticulture, Tea, Floriculture, Arable and Large scale Vegetable farming.

He currently oversees the management of Kakuzi's diverse operations including avocado, macadamia, pineapple, forestry and livestock.



DR. WILSON ODIYO
Assistant General
Manager Corporate
Affairs

He holds a Doctor of Philosophy degree in Strategic Human Resource Management and is a Certified Human Resource Professional (CHRP (K)) and a member of the Institute of Human Resource Management. He is also trained in Labour Law and Arbitration.



BENJAMIN OKIRING
General Manager
Finance and
Administration

He is a qualified accountant and a member of the Certified Public Accountants of Kenya.



JONATHAN KIPRUTO
Assistant General
Manager, Horticulture
Operations

He holds a Master's degree in Strategic Management and an undergraduate degree in Chemical and Process Engineering.



MATHIAS MUINDE
Assistant General
Manager, Macadamia
Operations

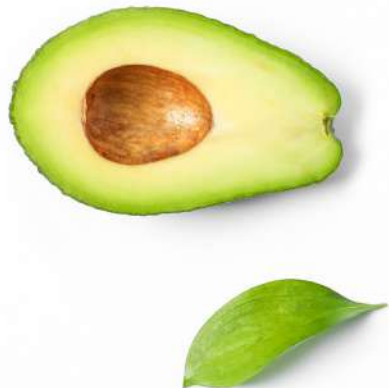
Mr Muinde joined Kakuzi in 1990. He has an agricultural background and experience in coffee and macadamia operations.



Richard Collins
Regional New Crops
Development Manager

He holds a Diploma in Agriculture Research: Botany and has a strong background in plant pathology and entomology.

He joined Kakuzi in 1994 and was responsible for establishment of avocado & macadamia plantations. He is responsible for development of new crops such as blueberry and new plantings of avocado & macadamia.



Heads Of Departments



**STELLA WANGECHI
NGOTHO**
Gender and Human Rights
Manager

She holds a Master of Laws degree in Sustainable International Development and is a Certified Professional Mediator.

Ms Ngoto has 11 years' experience in programming and management of Human Rights in the context of Business and Human Rights, Gender and Access to Remedy.



SAMMY CHEGE
Forestry Manager forestry
operations

He holds a BSc degree in Forestry Resource Management and has over 26 years' experience in forestry operations in both sustainable forest establishment and wood processing. Has been a member of KEBS timber technical committee for over 7 years.



GRACE MUMBI NJERU
Technical Manager

She holds a Master's degree in Horticulture and is BASIS certified in fertiliser advice with over 10 years' experience in field research.



**DR. KARATINA
NCHOKI**
Manager Livestock, Joint
Ventures and Arable

He holds a Bachelor of Veterinary Medicine(BVM) and is a member of Kenya Veterinary Board(KVB).

Dr Nchoki has worked for the company for the past 11 years and previously on one-year management training with an international Non-governmental Organisation.



SALOME POSHO
Administration Manager

She holds a Degree in Bachelor of Commerce (Finance) and is a Certified Public Accountant Kenya (CPAK) and a member of the Institute of Certified Public Accountants of Kenya.



HENRY OWINO
Group Manager-
Macadamia

He holds a Bachelor's degree in Food Science and Technology and is also a technical committee member of the KEBS, EASC/TC 015 (Oil seeds, Edible Fat and Oils).

Mr Owino is also trained in Food Safety Systems Management.



Heads of Departments



MARY NJAMBE NJUGUNA
Stores Manager

She has a degree in Procurement and Logistics , Certified public Accountant and Member of Kenya Institute of supplies management (KISM)



ANTHONY DODDS
Assistant General Manager
Supplies and Services

He is a trained civil engineer with 30 years' experience in the industry.



ZACHARY GIKU
Senior estate manager
packhouse and horticulture
East

He holds a BSc degree in Agricultural Engineering from Egerton University.

Mr Giku has over 20 years' working experience in the agricultural sector in tea and horticulture.



KIRAGU ANDREW KURUGA
Internal Audit Manager

He is a Certified Public Accountant (CPAK) with more than 30 years' experience.

Mr Kuruga is member of the Institute of Internal Auditors (IIA-Kenya)

He is widely trained in Labour Laws Including trade union issues and negotiation skills.



JOSEPH RUTERE
IT Manager

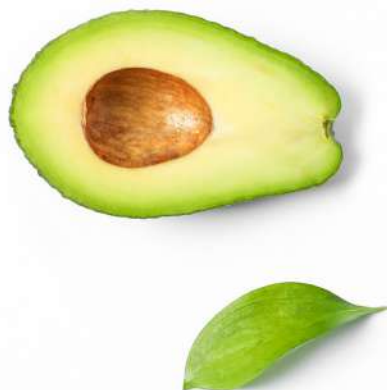
He holds a Master's degree in Management Information Systems and is a Certified Information Security Manager and a member of Information Systems Audit and Control Association (ISACA).



LABAN KIPKOECH KOIMA
Manager, Blueberry

Mr Koima is a graduate and alumni of Egerton University.

He is a trained Horticulturist with over 20 years' experience in related fields.





Our Products



Macadamia

Macadamia is a core strategic crop at Kakuzi PLC, and as at 2020, macadamia trees occupied 1,032 hectares. Total volumes are planned to rise by 139 percent by the year 2025. At Kakuzi, we only process nuts grown in our own orchards.



Avocado

Kakuzi PLC started farming avocado in 1996, and since then, production has increased year-on-year to 794 hectares in 2020. The farm is Rainforest Alliance accredited and there is full control over the entire value chain ensuring complete traceability and high quality produce.



Commercial Forestry

Commercial tree planting started in 1992 and gained momentum in 1995. Presently, Kakuzi has over 1,500 hectares of commercial forest. The forest supplies posts, poles, fuel wood and other timbre products.



Livestock & Butchery

There are 4,387 cattle all ranched within Kakuzi PLC. Some 70-75 bulls and 180-220 breeding cows as well as two small dairy ranches. The slaughterhouse supplies meat to the butchery and local markets for sale.



Blueberry

A 10 hectare site at Kakuzi has been established with plans to expand it in the future. The first blueberry harvest was in 2019. The production is Global G.A.P., GRASP and SMETA certified.



Tea

Kakuzi's tea is grown at Kaboswa Tea Estate in Nandi Hills.



The Journey of an avocado



The Journey of an Avocado: From Farm to Table

The journey

Kakuzi PLC, the largest producer of Hass avocados in Kenya, has full control of the entire value chain, which ensures high quality produce that is traceable.

The avocados go through five main stages:

1 Planting

The journey starts at the nursery, where seedlings are propagated. Kakuzi plants its own avocados from scratch for traceability.



After 10 months the seedlings are ready for transplanting. Before planting, land preparation, marking of the spacing for the holes, laying and testing of irrigation systems, digging of the holes and soil testing are done.

After planting, quality of digging and size of the holes is ensured. Porting papers should be of the right size not to disturb the plant roots, and the soil around the young stems is raised to ensure that there is no water logging or stagnation at the base of the plant.

The seedlings are staked to ensure they stay upright and do not bend in the wind.

Inorganic fertilisers (phosphate fertiliser) are used during planting. The use of fertiliser is guided by soil needs through soil testing. Each seedling requires about 70 litres of water in a week on average.

3 Pests and diseases control

Pests are a great risk and at the same time, we need to adhere to the regulations on controlling them. The methods we use ensure that we are able to meet these two objectives.

4 Fertility Management

Fertilisers are applied based on leaf and soil analysis results. This ensures that we feed the soil to feed the plant.

Persea Americana, better known as Avocado, originated from south-central Mexico and is often grafted to maintain fruit quality and quantity.

The fruit is buttery when ripe, and depending on the variety, it has green, dark green, purple, or black skin when ripe, and may be pear-shaped, egg-shaped, or spherical.

Kenya is ranked eighth globally in avocado production, with data from Horticultural Crops Development Authority (HCDA) showing that the country exported 26,481 tonnes of the fruit between January and March 2021 compared to 15,101 tonnes in 2020.

The fruit is highly adaptable to rainfall conditions in the country and is mostly favoured by an average 1,000 -1,600 mm per annum and well-distributed throughout the year.

Most avocado farmers are found in Murang'a, Nyeri, Kiambu, Kisii, Meru and the entire Mt Kenya region. Other regions include Nandi, Bomet, Uasin Gishu, Trans-Nzoia, Bungoma, and Siaya counties.

The leading export varieties from Kenya are Hass, Fuerte, and Pinkerton.

2 Canopy Management

Canopy Management or pruning is important because the trees need sunlight to penetrate for optimal flowering, which means more fruits.

At Kakuzi, the quality of yields after pruning has been done is significantly higher because the trees regenerate and are able to produce better fruits in terms of size, and aids in control of pests and diseases.

5 Harvesting

An avocado tree takes about three years on average to start producing fruits.

During harvesting, sterilized equipment is used. The fruits are harvested using clippers where the fruit together with a small twig are cut. The small twig helps prevent infection of the fruit.

On average, it takes 1-2 hours to transport the fruits from the field to the Packhouse where they are processed and packed.

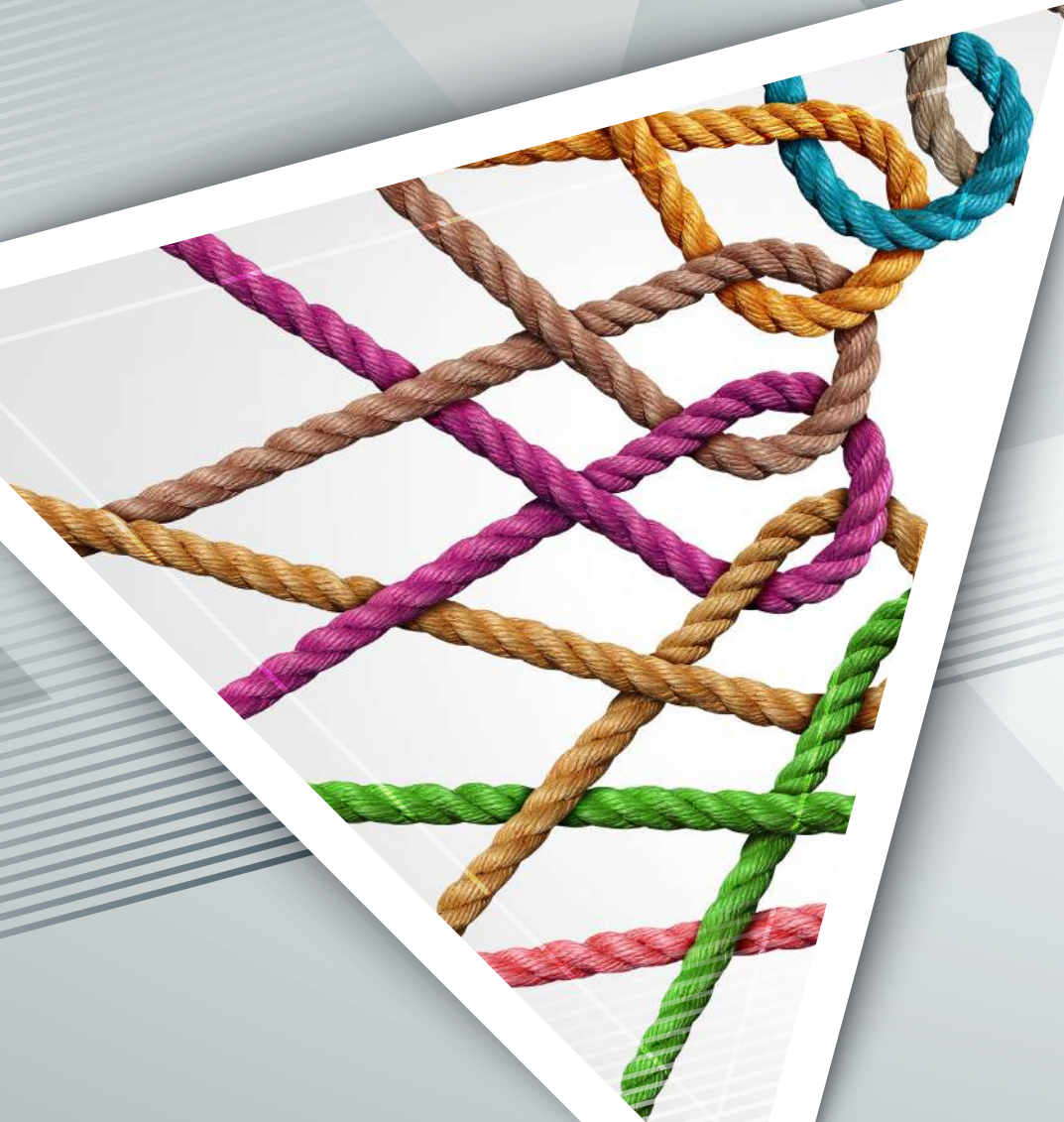
6 Packhouse

The Avocado Packhouse is FSSC 22000 Certified, meaning there is an established Food Safety Management system to handle avocados from the field through to dispatch, ensuring the product is fit for human consumption. Systems are in place to guarantee that the produce can be traced from the farm to warehouse.

Once the fruits arrive at the Packhouse, fruits from the estate and those from smallholder farmers are separated. For instance, Kakuzi avocados are Global G.A.P. certified, while those from the farmers are not. The fruits are received, processed and shipped separately.

7 Shipping

Packed fruit is placed in cold rooms and cooled in preparation for shipping in refrigerated containers.



Material Issues



As a business that depends on the society and is directly involved with the environment, Kakuzi PLC takes its environmental and social governance roles seriously. Over the years, we have carried out in-depth assessments to determine the environmental, social and governance issues that are material to our business. This has involved taking a look at external trends that affect Kakuzi's operating environment and how to mitigate them by putting in place practices and habits necessary and aligning our work with the Sustainable Development Goals developed by the United Nations.

The assessment involved interviewing external and internal stakeholders to establish their interests and concerns. Data for this was collected through focus group discussions,

interviews with members of the community around Kakuzi and questionnaires, all of which constitute participative, qualitative and quantitative methods. The findings were compiled and plotted on a matrix of their materiality to Kakuzi, with their position determined by the degree of interest to the stakeholders and their perceived impact on the business. The analysis identified four material issues, with each issue then broken down into a number of sub-categories or specific mitigation efforts. Because we are directly in touch with the environment, involved with the community around us and labor-intensive, the factors that affect our work in these three areas were deemed of paramount importance.

The materiality issues were categorised as follows:

1. Our community

- a. Decent employment and diversity
- b. Housing
- c. Health and social welfare programme
- d. Supporting communities around us

8 DECENT WORK AND ECONOMIC GROWTH



4 QUALITY EDUCATION



3 GOOD HEALTH AND WELL-BEING



2. Respecting and promoting human rights

- a. SIKIKA
- b. Progress on Human Rights Policy
- c. Human Rights impact assessment
- d. Stakeholder engagement- Public participation
- e. Human Rights training/ education

8 DECENT WORK AND ECONOMIC GROWTH



3. Climate

- a. Water
- b. Regenerative agriculture
- c. Achieving zero waste
- d. Carbon footprint

13 CLIMATE ACTION



6 CLEAN WATER AND SANITATION



4. Governance & integrity

- a. Board
- b. Board committees
- c. Policies

5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH





4 QUALITY EDUCATION



3 GOOD HEALTH AND WELL-BEING



8 DECENT WORK AND ECONOMIC GROWTH



Our Community



*DECENT EMPLOYMENT
AND DIVERSITY*

Providing decent employment and diversity

As part of our commitment, we provide equal employment opportunities within a conducive work environment that delivers: fair income, workplace protection, social protection for families, personal development and social integration, freedom to express their concerns, organize and participate in decision making and equality of opportunities for all.

We provide our employees with legally binding employment contracts signed by both parties. For specialized or temporary services, we engage the services of independent contractors that we ensure reflect our standards in terms of compliance with the law as well as respect for Human Rights.





EMPLOYEE
HOUSING



981

The number of houses across 34 villages at Kakuzi PLC. The houses are inspected monthly by public health officers to ensure they are free of health & safety hazards.

Adequate Housing

The company provides adequate housing at no cost to employees and their families. The houses have potable water, adequate sanitation and are strategically located to enhance access to health care facilities, schools and other social amenities. The housing units surpass ILO housing requirements of at least 3.6 square meters per person and are designed to accommodate more than four persons.

Each unit has enough room for a standard compound for the purposes of a kitchen garden to enhance food security. Each house has a sanitation facility and access to clean standpipe water.

Quarterly inspections are carried out to ensure houses are clean, habitable, and maintained in a good state of repair. The 981 houses spread across 34 villages are inspected monthly by public health officers to ensure they are free of residential health and safety hazards.

Kitchen gardens

We appreciate the role of a good diet for healthy living. In particular, vegetables are a very important part of a good diet as they contain various nutrients for many body functions. To ensure nutritional needs are met all year-round, Kakuzi runs a Kitchen Garden Programme. Our employees are encouraged to cultivate the area around their houses and plant diverse vegetables to feed their families and produce surplus for sale. We sensitise and encourage staff to plant indigenous vegetables which are highly nutritious. The result has been improved nutrition in our estates.

The Kitchen Garden Programme supplemented the company's programme of providing food staples to employees during the height of the Covid-19 pandemic.





HEALTH & SOCIAL
WELFARE PROGRAMME

Good Health and Social Welfare Programmes

- Access to primary & curative healthcare

With two medical facilities and three qualified healthcare professionals, Kakuzi provides its employees and their dependants with free primary and curative healthcare. We also run several social programmes aimed at supporting our employees, the youth, and the wider community.

These include:

- Mother and Child Health (MCH)
- Voluntary HIV Counselling and Testing
- Reproductive Health Programme
- Nutrition and Mental Health Awareness
- Tabasamu Menstrual Hygiene programme
- Stand Against Alcohol and Substance Abuse (SAASA) programme
- Sexual Harassment Awareness Reporting and Prevention (SHARP)

To ensure that the employees have uninterrupted access to healthcare, the company employed 13 more healthcare personnel, doubling the number of health workers at company dispensaries.

Tabasamu menstrual hygiene programme

The programme addresses social and environmental-related (water and sanitation) barriers in relation to managing monthly menstruation. These barriers hinder girls' performance in schools and women's contribution in the workplace as well as affecting their health and wellbeing. To address this, we rolled out a menstrual hygiene programme known as **TABASAMU** (Swahili for Smile) for our female employees and school girls in the surrounding community.

The programme is run by a steering committee made up of female managers and incorporates champions from all divisions. The objectives include:

- Menstrual hygiene/health education
- Access to safe and clean menstrual absorbents
- Water, sanitation and hygiene infrastructure
- Safe disposal of menstrual absorbents

Through the program, the employees are able to access free sanitary towels as well as a supportive workplace environments for menstrual hygiene management. In the neighbouring community schools, the company is running a similar program to ensure that no girl misses school due to periods and thus impact academic performance.

Sexual Harassment Awareness Reporting and Prevention (SHARP)



Through the programme, the employees can access free sanitary towels as well as a supportive workplace environment for menstrual hygiene management.



As Kakuzi we are committed to providing a safe environment for all employees free from discrimination on any ground, including sexual harassment. Reporting any form of sexual harassment at the workplace is a critical step in addressing such incidents. Our aim is to ensure that no employee endures sexual harassment because of fear of inaction, blame, fear of disbelief of their claim, or retaliation.

The SHARP campaign is aimed at building open teams and encouraging everyone to have a voice. Employees are empowered through provision of relevant information on our sexual harassment policy and are encouraged to participate in revisions to the existing policy and reporting mechanisms and the comprehensive programme. Community members

have access to reporting channels through our social media platforms and are encouraged to report any such forms of harassment. In order to expand the opportunities to speak out, educate and monitor sexual harassment, we have commissioned 50 champions among the employees to sustain implementation of the SHARP programme. We continue training our employees on sexual harassment reporting and prevention at the work place.

Stand Against Alcohol and Substance Abuse (SAASA) programme

Substance abuse among employees can threaten public safety, impair job performance and threaten their own safety.

Through our SAASA program, we avert problems related to misuse of alcohol and drugs among workers. We do this by educating the youth, our employees and the larger community on the dangers posed by these substances. SAASA feeds directly into Kakuzi's mental health programme which has an additional focus on counselling, stress and depression management, as well as promoting family cohesion.



The SHARP campaign is aimed at building open teams and encourage everyone to have a voice. Employees are empowered through provision of relevant information on our sexual harassment policy and are encouraged to participate in revisions to the existing policy and reporting mechanisms and the comprehensive programme.



Safety and Health

In our commitment to provide decent work, we maintain a comprehensive occupational health and safety programme that a senior member of the management team oversees. The programme is guided by the Health and Safety Policy which is reviewed periodically to reflect industry standards, organisational needs, and legal requirements. The components of the programme include workplace risk assessment, joint health and safety committees, workplace inspections, first aid implementation, fire safety implementation, annual third-party health and safety audits, health and safety training. The entire programme aims to increase awareness, build a safety culture, and make everyone responsible for safety.

We continue enhancing the safety culture through training and distribution of safety and health materials as well as employee hand book to all workers.

Occupational accidents have a significant human, social and economic cost, which we strive to eliminate by ensuring that our workplaces are safe. The incidence rate (number of accidents per 100,000 hours worked) for the year averaged 5.9.



The components of the programme include workplace risk assessment, joint health and safety committees, workplace inspections, first aid implementation, fire safety implementation, annual third-party health and safety audits, health and safety training.

Work at Height

We are committed to ensure that, where it is reasonably practicable, working at height is avoided. Where it is not reasonably practicable to avoid working at height, the company has instituted suitable and sufficient control measures following the hierarchy of controls. These include:

- Eliminating the need to work at heights (e.g. by use of pole pickers);
- Providing passive fall prevention systems (e.g. ladders);

- Using work positioning systems such as harnesses for fall arrest;
- Providing appropriate Personal Protective Equipment (PPE) (e.g. gloves, footwear, safety harnesses, helmets, reflective jackets etc.);
- Instruction and training

Any person working at height is provided with sufficient information, instruction and training necessary to carry out the task, including the use of any specified work equipment. All persons working at height are *appropriately permitted*.





*SUPPORTING COMMUNITIES
AROUND US*

Covid-19: Corporate Social Responsibility in time of crisis

When the Covid-19 outbreak was confirmed in Kenya, Kakuzi responded by coming up with a number of measures to curb the spread and impact of the coronavirus disease in the company and community where we operate.

We donated products and equipment to fight the spread of the virus to health facilities through the county government. The company also purchased and installed hand washing stations in neighbouring towns, market centres and schools. The hand washing stations were replenished with water and soap by the company until they were handed over to the community.

The company also donated modern motorised mist blowers for up-close fumigation of areas in common spaces that boom sprayers could not access with ease. The company donated intensive care unit beds, patient monitors, syringe pumps, coveralls, surgeon caps, N95 respirators, safety goggles, and surgical masks to boost county government efforts and preparations to handle Covid-19 cases.

Food security

Many livelihoods have been affected by the pandemic that is still ravaging the economy. In collaboration with elected leaders, churches and local administration, the company has been enhancing food security through donating tons of maize flour, rice and beans.

Facemasks

When the government ordered the use of face masks in public spaces, we donated reusable face masks to motorcycle riders and school children within the surrounding community.

Quality Education

Kakuzi continues to work with education stakeholders towards attainment of Sustainable Development Goal (SDG) 4 that calls for quality education for all. We support education by providing funds to establish and improve physical infrastructure. When schools reopened, there was need for additional infrastructure to help implement Covid-19 protocols. Kakuzi responded by donating furniture to schools, installation of hand washing units, distribution of reusable facemasks and providing access to water and sanitation facilities.



Kakuzi mobilised to help communities in the wake of Covid-19. We donated products and equipment to health facilities through the county government. The company also purchased and installed hand washing stations in neighbouring towns, market centres and schools.



Sanitation facilities for Schools

Kakuzi is working with schools to improve access to sanitation. In 2020, Kakuzi built 34 latrines for neighbouring schools which will support sanitation and provide a more conducive learning environment.

Through our Tabasamu programme, Kakuzi continues to distribute sanitary towels to girls in neighboring schools. A total of 3,300 sanitary towels were donated to schools.

Actions aimed at supporting employees

The company has supported smart working for staff, offering training activities and access to staple foods. To this end, the company purchased dry food to be sold to employees at a subsidised cost in order to cushion them from shortage/price hikes. More healthcare personnel were employed by the company. This intervention is in addition to continued social distancing and proper hygiene practices that we sensitised our employees to observe.



Rainwater Harvesting for Schools

We continue to install rain water harvesting systems in schools enabling storage of over 70,000 litres of rainwater. The project has benefited nearly over 2, 000 learners in the schools which are located in a water stressed region. The projects further sustain the schools feeding programme as well as providing water to facilitate hand washing in schools.



Capacity Enhancement

The company enhanced its capacity by employing one more nurse, four public health officers and five community health workers. Together with the medical team, we continue to carry out extensive health education, environmental inspection (workplaces and residential places) and screening of employees for Covid-19 symptoms.

Covid-19 education and information materials were printed and distributed to the employees. Thermo guns were procured for daily temperature checks including screening for symptoms which is being done by the community health workers and public health officers employed by the company. Each employee is being issued with a pair of reusable face masks quarterly. Additional hand washing facilities were put in place and replenished with soap and clean water daily.

Radio Learning programme

We ensure that all children of school going age are in school. This supports our strict code of not using child labour in our operations. Kakuzi maintains nursery schools and day care centers providing free education to employees' children, dependents and surrounding communities.

As the company responded to the Covid-19 crisis, the company bought radios to facilitate the government's (KICD) radio learning programmes in our villages. This was done with consideration of company and government guidelines to avoid Kakuzi being the centre of spread of the Covid-19 virus.

Smallholder Programmes and Extension Training

Engagement of smallholder avocado farmers continues to be an important strategic community empowerment programme for Kakuzi. Over the years, we have integrated smallholder communities into our business as a key strategic economic empowerment programme. The Avocado Smallholder Programme is a commitment to invest in a sustainable supply of quality avocados through improved agronomic practices, technical assistance, and improved market access. Under this programme, Kakuzi and the farmer(s) enter into a win-win relationship based on bottom-line commercial incentives. Kakuzi provides the marketing and quality assurance services, facilitation, and capacity-building of smallholder groups and individual farmers. By directly purchasing from the smallholder farmers, Kakuzi enables them to earn a steady income twice a year.

Kakuzi reaches the farmers through:

- Extension services via Field Extension Officers
- Kakuzi Avocado Training Open Day with practical training
- Roadshows

Our extension services are supported by information technology solutions that enable us to reach our famers. The farmers receive regular SMS and WhatsApp notifications in their local dialect on matters affecting them and on farming practices and market developments. This approach helped us navigate through the restrictions brought about by the Covid-19 pandemic. To date, 3,092 farmers are registered in the programme and a total of 46,954 quality Hass avocado seedlings were made available to the smallholder farmers. Out of the registered farmers, 1,340 of them are actively supplying fruit to our packhouse.



A Kakuzi extension officer engaging farmers.

Macadamia Smallholder Programme

The Macadamia Smallholder Programme was initiated to support farmers looking to diversify their crops. Through this programme, Kakuzi has this far supplied 2,146 quality macadamia seedlings to the farmers. Our managers continuously offer agronomic extension services and advice to the “lead farmers” in surrounding communities.

Beekeeping - Kakuzi Hills Self-Help Group

The beekeeping project is one of the economic activities initiated by Kakuzi to sustain the Kakuzi Hills community. A total of 40 beehives and 900 honey jars were donated to the group to beef up the initial 175 beehives that had earlier been supplied to the group.

The purpose of this programme is to support the Kakuzi Hills community with financing, technical support, and marketing of honey to establish a sustainable beekeeping project.

Through this project, community members have a better income that is progressively improving their lives and that of their families.

Stakeholder engagement

Our stakeholders play an important role in creating and maintaining our business value. It is in this regard that we meaningfully engage with stakeholders early and often, in order to create shared value. Our stakeholders include:

- Employees
- KPAWU
- Local Communities and their elected leaders
- Avocado Smallholder Growers
- Shareholders
- National Government
- County Government
- Civil Society
- Human Rights groups
- United Nations bodies
- Business associations

Areas of engagement include employee welfare, employee terms and conditions of work, economic empowerment of local communities, national and county government legislation.

All feedback received from the stakeholders, whether positive or negative, is addressed by relevant parties. The stakeholder engagement process is active and on-going.

Beekeeping changing livelihoods in semi-arid region

The Kakuzi PLC plantation straddles the counties of Murang'a and Machakos, cutting across the Thika-Makutano Highway.

The Machakos side is relatively dry and classified as semi-arid. It is an area that suffers depressed rainfall most of the year. The subsistence farming practiced by the local community is a difficult undertaking given the erratic rainfall patterns. In particularly bad years, the rains fail altogether and some in the community have to depend on relief food supplies.

To be food secure, residents prefer fast maturing crops and even these are hardly enough. Those who are unable to secure employment in the area or distant towns find themselves trapped in an endless cycle of poverty.

Mr Joseph Kitavi is no stranger to this peripheral existence since he was born and brought up in the area. The turning point for Mr Kitavi and dozens others was the inception of a community economic empowerment programme through a bee keeping project.

The project was introduced by Kakuzi PLC in 2009 as part of its Corporate Social Responsibility to the host community. The residents were first urged to come together as Kakuzi Hills Self-Help Group that is chaired by Mr Kitavi. After registration, members were encouraged start beekeeping as an alternative source of income.



"We started with 35 members. Our first priority was to individually raise money for bee hives. Since there were no artisans making them around here, we had to source them from far with Kakuzi PLC providing transport free of charge," he recalls. Kakuzi took upon itself to train the members on best methods of rearing bees. These included handling the bees safely, harvesting, sifting and packing the honey under hygienic conditions. Bees are migratory by nature. During dry seasons, they move away in search of flowers, their source of nectar. To mitigate against migration, members of the Kakuzi Hills Self-Help Group have been trained to provide the bees with water laced with sugar. This ensures that the bees remain in the area throughout the year.

Mr Kitavi's first harvest opened a new world for him. The harvest brought in KSh. 12,000. It was more money than he had ever made from a single sale from his farm.

"Once you secure a hive and meet the basic requirements to establish a successful bee colony, you can concentrate on other economic pursuits. Bees do not require much attention and time," he says.

As the self-help group continued attracting more members and increasing honey production, Kakuzi embarked on



providing free hives to members. This became necessary to ensure that interested members of the community were not left out of the project due to lack of money to buy hives.

To create a regular and reliable market, the company worked out a partnership where it markets the group's products through its various outlets. One such outlet is the Kakuzi PLC shop located at the main office on the Thika-Makutano Highway at Makuyu.

“Currently, we are earning Sh320 for every kilogramme of honey we deliver to Kakuzi PLC. Once all the honey is sold, we are paid for the entire consignment delivered to the company,” says Mr Kitavi.

The income from the honey project has seen members enjoy improved standards of living. The self-help group chairman says that many members who had been living in grass thatched houses have been able to upgrade to iron sheet roofed dwellings.

In seasons of food scarcity, members are able to provide for their families effortlessly. The result is improved nutrition and better health for the community.

“Now that we have a regular and reliable income, we are able to access credit from businesses such as grocery shops. Paying school fees for our children is no longer a struggle as it used to be,” he says.

The project has been a godsend for the elderly and retired members of the community because beekeeping is not labour intensive. The income from the project comes as a comfortable retirement package for this otherwise vulnerable demography.

Mr Kitavi says that initially, the project attracted more men than women. After witnessing the economic benefits for members, more women are signing up. The project is also attracting young people as well. Besides the financial benefits of the project, the large bee population in the area has been facilitating better pollination of crops. This translates to better yields and enhanced food security for the community.

In addition to the honey project, members are allowed to collect firewood from Kakuzi PLC land as well as access water and selected grazing areas. This is in line with the company's policy of giving back to the host community.

Smallholder program giving farmers access to global markets



Kakuzi has a large international market and wants smallholder farmers to access it.

The listed agricultural firm is upscaling the operations of its smallholder avocado farmers programme while boosting the global positioning of Kenyan avocados. The programme, which provides small-scale avocado growers with access to best practices and the international market for their fruits, has attracted farmers not only from Kakuzi's local community, but also from other neighbouring counties. The programme is part of Kakuzi's Corporate Social Responsibility (CSR). The programme ensures continued education for the community and farmers on the latest avocado production technologies, and best management practices. It helps farmers to access information, increasing their yields and in turn driving wealth creation.

"Our main aim is to enable local farmers access the international market and also be able to grow their fruits in a way that meets international standards," says Mr Laban Mwaura, the Extension Officer at Kakuzi Horticulture Department. The programme tackles the challenges facing smallholder farmers as it has integrated them into Kakuzi avocado business. The goal of the programme is to economically empower the farmers.

The agricultural firm directly engages and buys avocado from farmers. This move is deliberate as Kakuzi wants to invest in a sustainable supply of quality fruits instead of relying on brokers in which case traceability, which is a key ingredient to avocado export, is lost if one goes the broker route. Currently, Kakuzi has 3,500 smallholder farmers, over 10 active smallholder groups, and over

Smallholder program giving *farmers access to global markets*

seven active outgrowers. Majority of them come from the central region and a few others from eastern and north rift regions. Through the programme, farmers are encouraged to plant the Hass avocado variety due to its popularity and ability to attract good prices in the international market.

“The extension services are a broad range of activities. Normally, we have different categories of farmers. There are those farmers who already have matured trees, there are starters who want to purchase seedlings from our nurseries and they want to be guided through that process from planting, harvesting, post-harvest, and marketing,” says Mr Mwaura. Farmers have been benefiting from extension services offered by Kakuzi, translating to more production and more money in their pockets.

“Extension officers from Kakuzi train us on how to take care of our avocado trees from pruning to post-harvest handling,” says Ms Teresia Nyambura, a smallholder farmer from Gatanga, Murang’a.

Ms Nyambura, who ventured into avocado farming in 2008, had initially been dealing with brokers to sell her fruits, but when she joined a farmers’ group in 2014, her fortunes changed.

“The biggest challenge was price disparities, and brokers used to exploit us, buying a single fruit at KSh. 1 or less,” she says. Her avocado farming journey started with 10 trees which she inherited from her late parents. She now has 20 Hass variety trees, 10 of which are already producing fruits while the rest are still young.

The Hass variety has gained popularity as it has the longest season and has been demonstrated to yield fruit throughout most of the year. As a backyard tree, its season is probably from March to November but commercially from May to October.

Another farmer, Mr Francis Njoroge, says the programme has saved him from brokers. He has integrated 30 Hass variety trees with other crops in his 1.5 acre piece of land in Gatanga, Murang’a. “Before I joined the programme, I used to deal with brokers and they used to buy one avocado at KSh. 1, but since I joined Kakuzi’s smallholders program, a single fruit can fetch up to KSh. 15,” he says.

Mr Njoroge adds that through the programme, he has been able to tap into Kakuzi’s already established export market and is enjoying free extension services guaranteeing better crop husbandry and output.

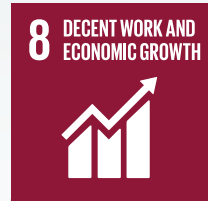
The smallholder programme also provides quality avocado seedlings at subsidised prices to the farmers. The programme is a step towards attainment of Sustainable Development Goal No.1 of ending poverty in all its forms everywhere.



Farmers have been benefiting from extension services offered by Kakuzi, translating to more production and more money in their pockets.



Our main aim as Kakuzi is to enable local farmers access the international market and also be able to grow their fruits in a way that meets international standards.

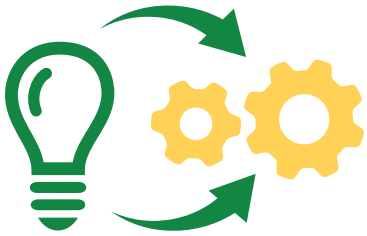


Respecting

and promoting human rights



OPERATIONAL GRIEVANCE
MECHANISM (OGM)



If implemented effectively, the OGM offers the prospects of a rights based efficient, immediate and low-cost form of grievance resolution for both the Company and complainants.

a. SIKIKA

This year, Kakuzi undertook a robust consultation process to evaluate its grievance mechanism system (SIKIKA) in order to inform the need, viability and functionality of the establishment of an effective Operational Grievance Mechanism (OGM). The consultations provided insights from stakeholders on what an effective grievance mechanism would look like from their perspective.

This assessment led to the design of an OGM that ensures grievances are handled in a consistent and coordinated manner. As recommended by the UN Guiding Principles on Business and Human Rights, the OGM has incorporated safeguards such as confidentiality, privacy, rights compatibility, equity and transparency into its processes. The OGM also incorporates a case referral system where cases that require the intervention of government authorities are referred in order to access investigation and resolution of issues.

If implemented effectively, SIKIKA offers the prospects of a rights based efficient, immediate and low-cost form of grievance resolution for both the company and complainants.



A silhouette illustration of a construction site at sunset. Several workers are shown in various stages of building a structure. One worker is on the ground holding a beam, another is on a low platform holding a beam, a third is on a higher platform holding a beam, and a fourth is on a tall, partially completed metal frame. In the background, a child and an adult are running across the top of the structure. The sky is a mix of blue, orange, and yellow, with scattered clouds. Two large yellow arrows point towards the text 'PROGRESS ON HUMAN RIGHTS POLICY' which is overlaid on the lower part of the image.

PROGRESS ON HUMAN RIGHTS POLICY



In March 2021, Kakuzi embarked on the development of a Human Rights Policy. Approved at the highest level of the company, the Policy provides a basis for embedding the responsibility to respect Human Rights across all business functions.

The Policy sets out a roadmap on how the company upholds human rights through the integration of a human rights due diligence process of identification, mitigation and remedying of adverse impacts. The Policy also provides for gender mainstreaming and extends its commitments to supply chains such as contractors and suppliers who are encouraged to respect the principles of the policy.

The draft Human Rights Policy is currently undertaking consultations with employees, key partners, Human Rights defenders, thought leaders and the community.



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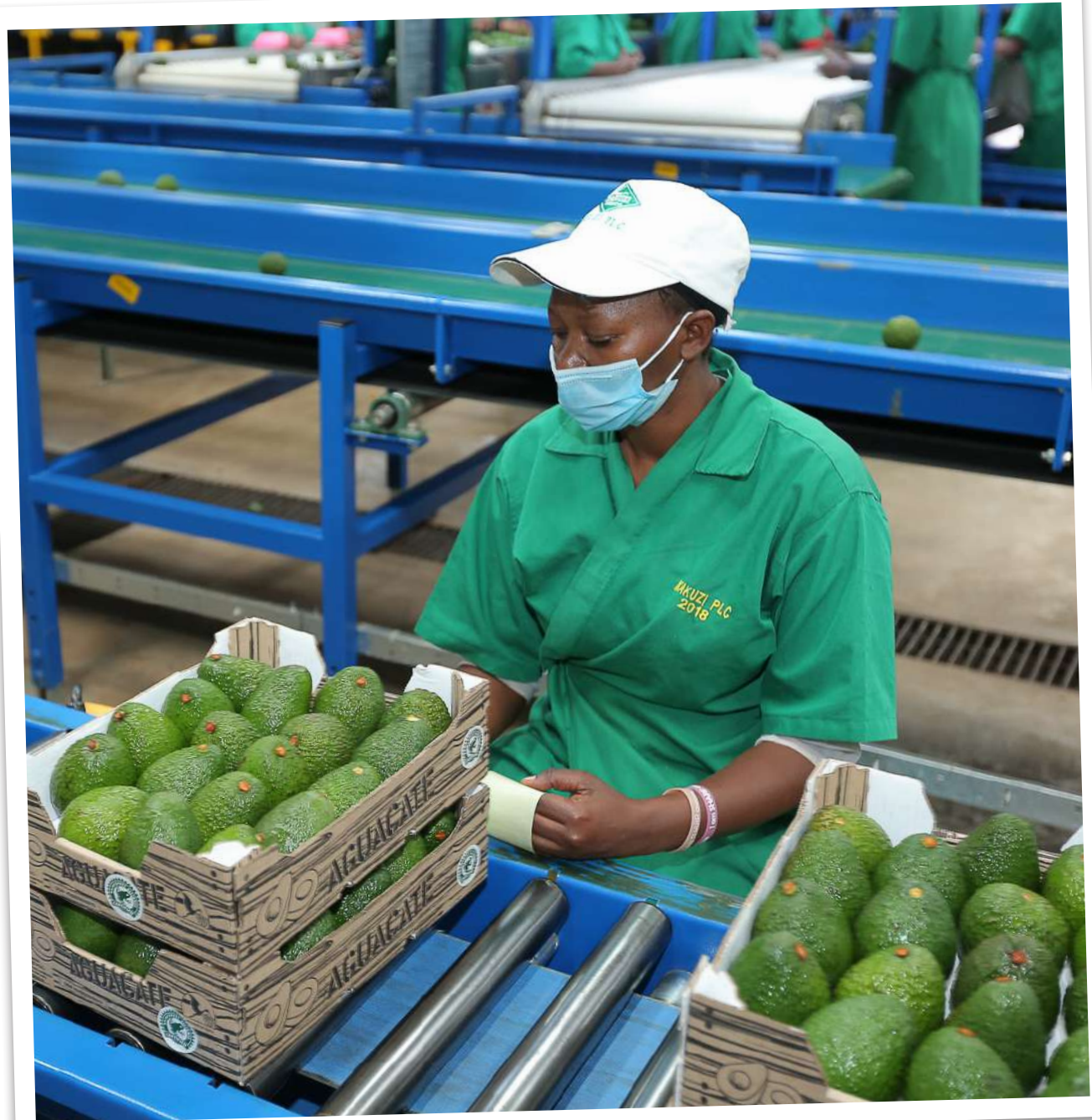
*HUMAN RIGHTS TRAINING/
EDUCATION*



During the recruitment of employees, Kakuzi conducts various induction trainings that ensure that workers understand their rights and obligations at the workplace. These trainings also provide opportunities for workers to know that there are grievance mechanisms in place whenever they wish to make a complaint. Human Rights trainings ensure rights are respected as well as guarantee that safeguards are incorporated to ensure violations do not occur and are mitigated whenever they arise. We are currently developing a Human Rights handbook that will be disseminated to employees outlining their Human Rights and the different ways to submit complaints.



Human Rights trainings ensure rights are respected as well as guarantee that safeguards are incorporated to ensure violations do not occur and are mitigated whenever they arise.



“For us, this is important because we want to reflect a company that is balanced in terms of gender and we want to avail equal opportunities to both men and women,”

says Kakuzi Human Rights Manager Stella Wangechi.



Diversity and Inclusion for equal opportunities

Kakuzi has adopted various policies that integrate non-discrimination and guarantee equal opportunities for all. The Human Rights Policy offers a leadership commitment to support gender equality, women's empowerment and protection for all at the work place.

The recruitment and selection policy and procedure strongly integrate gendered dimensions and non-discrimination including on the basis of disability in order to address intersecting forms of discrimination that women or men may face.

Our approach has been to integrate gender equality as a cross cutting issue in policies, processes and strategies of the company, as opposed to treating it as a stand-alone diversity or inclusion issue relevant to the Human Resource department only.

“When the outlook of your employees reflects the diversity of the community that you live in, you are able to enjoy the wide array of skills that come with people from diverse backgrounds and abilities. The community is also able to identify with and create ownership with the business, thus, a social license to operate is maintained,” says Ms. Stella Wangechi, Kakuzi's Gender and Human Rights Manager.

Ms. Wangechi points out that one of the challenges that comes with diversity and inclusivity is labour intensity. For instance, women usually have additional responsibilities at home (taking care of their families) and when work is a bit labour intensive, then they may not have that ability to work long hours. Therefore, as a company, they try to map

Case Study



To help bridge the gender gap at work, the management has taken the initiative to recruit more women.

work that is less labour intensive to ensure women enjoy working hours that enable them to take care of additional responsibilities back at home.

Currently, Kakuzi's workforce comprises of 68 percent men and 32 percent women. To help bridge the gap, the management has taken initiative to recruit more women.

"For us, this is important because we want to reflect a company that is balanced in terms of gender and we want to avail equal opportunities to both men and women," says Ms. Wangechi.

In order to enhance Access to Remedy as guided by the UNGPs, Kakuzi has been developing a programme known as SIKIKA. SIKIKA is a non-judicial mechanism that provides a means for individuals, workers or communities who may be impacted by the company's activities to raise complaints, questions or concerns with the company in order to get them addressed in a formal, prompt and consistent manner. Being non-judicial, SIKIKA is geared to achieving mutually agreed outcomes in resolution of grievances.

The policy also encompasses stakeholders' contributions. "A company like Kakuzi has many projects and programs that seek to ensure that the community is involved in the company's activities. Therefore, we ensure that the policies and programs that are developed are in consultation with stakeholders," says Ms. Wangechi.

The UNGPs guide that companies must 'know and show' their impacts. Knowing means that it is not enough to just avoid causing harm; Companies must proactively seek to identify actual and potential impacts. In this regard, we are in the process of completing our first Human Rights Impact Assessment that will culminate into an action plan that addresses gaps that emerge. She points out that, human rights is a way to ensure that right holders enjoy their rights and their responsibilities, and duty bearers actualize them.



"As a result of this, we decided to establish a Human Rights Office at the firm's main office in Makuyu because we are shifting the conversation from having human rights conversations with duty bearers to the rights holders themselves," says Human Rights Manager Wangechi.

Through this, they are able to address challenges faster since risk mitigation is informed by listening to workers and ensuring that resolutions are informed by their challenges and recommendations.

"We are able to identify concerns from our employees from human rights perspective almost immediately when those things happen. This means that people are able to access remedies quickly and action taken immediately before things get out of hand," says Ms. Wangechi.

The human rights office daily work entails going to the farms, capturing employees when they are on breaks, sitting down with them, having genuine conversations with them, and the management addressing their concerns.



Kakuzi: Staff welfare and wellness prioritised

Kakuzi provides an environment where all persons can work together comfortably and productively, free from discrimination and any form of harassment, including sexual harassment.

We have a policy that seeks to encourage development and implementation of practices which create a work environment that is free of sexual harassment and in which integrity, dignity, privacy and the right to equality are respected.

This policy brought about the Sexual Harassment Awareness Reporting and Prevention Program (SHARP) which creates awareness on sexual harassment and provides employees, the community and other stakeholders, avenues of reporting any cases.

SHARP is a programme through which the management provides direction and rules for governing the conduct of employees and any other person whom Kakuzi may legally hold to account, to ensure a work place free from sexual harassment and to make sure that adequate measures and procedures are readily available to deal with sexual harassment and to prevent its re-occurrence.

Ms Grace Ndirangu, a nursing officer at Kakuzi Health Centre, says the company has provided wristbands and swapping cards with third party telephone numbers that are used to send text or WhatsApp messages between the employee and the management.

“The company has also provided them with a confidential email address made purposely for that as well as being encouraged to report to the clinical team and the police,” says Ms Ndirangu.

Once a complaint is received, through whatever avenue, the complaint is forwarded to a team comprising of a female and

male member who have been appropriately trained within the company’s Clinical Service Department.

When reporting a complaint, those responsible will treat the complaint in confidence. Failure to escalate a complaint or treat it in confidence may itself be a breach of the company’s disciplinary procedures.

“All employees are responsible for helping to ensure that all discrimination and harassment is prevented. Any employee who believes that he or she has experienced discrimination or harassment or is being discriminated against or harassed should immediately follow the reporting procedure outlined in this policy,” she says.

Whistleblowing on harassment is also encouraged.

Kakuzi in addition holds Sexual Harassment Awareness, Reporting and Prevention campaigns on a regular basis to promote the culture of zero-tolerance to sexual harassment. It celebrates a week of SHARP every year in the month of September by talking openly about sexual harassment, as employees and the management engage in competitions and games.

Equally, the company has a mental health programme which incorporates the Stand Against Substance and Alcohol Abuse (SASAA) psychological care through counselling.

“Kakuzi put up official channels to counsel employees on mental health when one of the workers committed suicide. We did this by holding talks with all staff and sensitised them on what depression is all about, it’s risk factors and how to whistleblow on disturbed employees,” says Ms Ndirangu.

Likewise, medical camps within the community, reproductive health education – (issuance of family planning commodities),

HIV/AIDS testing and cervical cancer screening services are also provided.

Due to such programmes, in 2020, Kakuzi was named the winner of Best Supplier Health & Safety/Labour Programme at the Sedex Responsible Business Awards. The award recognizes companies that have successfully implemented a programme related to health and safety and/or labour practices.

The Sedex Responsible Business Awards shine a spotlight on responsible sourcing programmes and broader sustainability initiatives, recognizing those organisations going above and beyond.

Whistleblowing on harassment is also encouraged.





“The company has also provided them with a confidential email address made purposely for that as well as being encouraged to report to the clinical team as well as to the police,” says Nursing Officer Grace Ndirangu.

Tabasamu: Menstrual hygiene empowerment for girls and women

Tabasamu is a Swahili word that means “smile”. At Kakuzi PLC, Tabasamu is a menstrual hygiene programme that empowers women and girls on the farm.

The programme goes beyond providing access to sanitary pads and appropriate toiletries, into valuing and supporting the management of menstruation with dignity. The program has four pillars namely; Education and capacity building, Ensuring access to absorbents, Provision of disposal methods for the absorbents, and Provision of water for menstrual hygiene.

The programme was started in 2019 and incorporates everything to do with menstrual health from its start to its end – menopause. Menstruation callowness is a big reason why millions of girls and women are unable to manage their menstrual periods, ultimately affecting their quality of life in general.

Ms Grace Ndirangu, a nursing officer at Kakuzi Health Centre, says the programme was started when the management realized that majority of its female staff had no access to safe sanitary absorbents. The young girls in the community were also ignorant about menstrual hygiene.

“The programme has made laudable progress so far in combating poverty by providing them with training on their menstruation cycles, safe sanitary absorbents and infrastructure for disposal of the absorbents and availability of clean water,” says Ms Ndirangu.

She adds that Tabasamu operates from the apex, where a committee discusses the issues around

menstruation, availability of absorbents, sanitation and disposal of waste. There are also trained workers who work through the estates and are easily accessible to the employees. They relay information and give out sanitary towels to employees whenever the need arises.

Kakuzi is using Tabasamu to demystify the myths around menstruation. This brings in gender inclusivity and helps to eliminate the taboos and shame that come about with menstruation. It also shelves the idea that menstruation is entirely ‘lady business.’

Tabasamu has changed lives as women have now embraced menstruation as a natural occurrence and understand their cycles. Women have also been empowered and in turn teach their children which has a ripple effect in transforming the world we live in.

“This act ensures all employees feel safe. Safety in this case means that they don’t have to worry about leakage at work and they are able to concentrate hence maximising on productivity,” says the nursing officer.

Men have not been left behind by the Tabasamu programme and now understand that it is not embarrassing to buy sanitary towels for their women, and agree that menstrual shame needs to be stopped.

Ms Ndirangu says after running the programme, Kakuzi has less cases of absenteeism emanating from period shame. Women are now able to plan their lives accordingly and this has improved their quality of work immensely.





6 CLEAN WATER AND SANITATION



13 CLIMATE ACTION



Climate



WATER



With no river, lake or any other natural water source traversing Kakuzi land, the farm has constructed a series of dams to harness rainwater. Taking advantage of rainwater is the most viable and nature-friendly way to make use of our precious water resources and reduce competition with other users during the dry season. This rainwater, trapped in an array of 19 dams, is enough to meet the water needs of Kakuzi PLC. All this water use is authorized, documented and each rain drop can be accounted for by the company. This approach not only helps us to

utilize more of our natural resources—it also provides water security which is critical for our operations.

Across the land surface we redirect surface runoff into our water catchment areas which in turn feed our dams. The catchment areas are carefully managed to optimize the recharge of water and prevent the dams from silting up. A balance always has to be struck between maximizing the area of cropping and having adequate water catchments.



3 years

After 3 years the deflector is broken off the swivel and then each micro sprinkler can wet an area of 2.5 metres in radius.

Crop irrigation requirements

Irrigation requirements are calculated based on evaporation, rainfall and soil moisture data. A combination of data (daily tensiometer reading, weekly average evaporation and daily rainfall records) is used to determine the frequency and the volume of irrigation to be applied to the crop.

An efficient irrigation system (micro sprinkler) is used to deliver water on all avocado and macadamia areas. For avocado irrigation during the first 3 years after planting, use is made of a swivel having a deflector to ensure that the irrigation water applied does not wet a too large an area where no roots would be. After 3 years the deflector is broken off the swivel and then each micro sprinkler can wet an area of 2.5 metres in radius. Periodically, physical outputs are taken and recorded to ensure efficiency in the system.

Clean Water and Sanitation

Kakuzi has put up a total of 981 houses for its staff and their dependents at all levels. Each household has access to potable, fresh water and sanitation facilities. In addition, clean drinking water and sanitation facilities are provided in the workplace for both field and factory workers. Kakuzi has also donated and installed rain water harvesting systems in schools to ensure that surrounding schools have access to clean water. This intervention has helped 63 schools harvest and store total of 70,000 lts of rain water.

14%
reduction in water

Optimisation of water usage is very vital in Kakuzi PLC. The rainfall also contributes a great deal in irrigating the crop. Rainfall was better in 2020 compared to 2019 thus less irrigation was required, this explains the 14% reduction in water consumption from dams.

Stretching the rains at Kakuzi



Our strategy is that we don't have trees around the dams, but we have planted grass because it will reduce the amount of evaporation around the dam area meaning that the water pans we have no longer get exhausted due to evaporation," says Division Manager at Kakuzi Kelvin Gathee.



Kakuzi is a modern agricultural company involved in the cultivation and processing of an array of crops ranging from avocados, macadamia nuts, blueberries, livestock, to tea and commercial forestry.

We continuously strive to build a sustainable agricultural portfolio that mitigates weather risks which the agricultural sector has for ages been subject to.

Makuyu is regarded as a semi-arid area, but Kakuzi has changed this by investing in water harvesting, storage, and afforestation, changing the rainfall pattern of the area. With no main river, lake or any other natural water source on the estate, all the water that is used is harvested from the rain to ensure that there is consistent and reliable supply throughout the year.

Kakuzi is ardent about capturing rainwater and has proactively developed a series of dams to harness rainwater, which is directed into filtration traps and then stored for future use.

The company is keen on Sustainable Development Goals (SDGs) 6, 12 and 13, which call for clean water and sanitation for all, responsible consumption and production, and taking of urgent action to combat climate change and its impacts on the availability and sustainable management of water.

Dams

To this end, Kakuzi's water is primarily harvested in dams. There are 19 earth dams divided into holding and irrigation dams with a total capacity of approximately 12 million cubic

meters. A holding dam is simply used to hold water that can be transferred to another dam that will be used to irrigate crops.

"If we have to get water into these dams, the water comes from the rain. The rain pattern is such that it rains twice a year and that's the time we get water into these dams. The most basic way of getting water into the dams is to dig trenches and direct that water into the dams, but that would cause soil erosion, so again it is a minus. Our idea is that the run-off water is directed into areas where it sinks into underground reservoirs then eventually finds its way into the dams," says Mr. Kelvin Gathee, Division Manager at Kakuzi.

At the estates, there is a water management plan that critically explains the water sources, the potential sources and contamination, and risk assessment is done in all these sources proposing corrective action in case a source or a dispensing point is found not to be compliant. Mr. Gathee says water used from the dams is authorized by law and legalized by respective regulatory bodies and Kakuzi is keen on riparian areas as precise vegetation exists to ensure that dams are compliant and are in good shape throughout the year to guarantee steady supply of water. The riparian areas are well maintained providing an excellent environment for mammals, birds, snakes, frogs and insects. "Our strategy is that we don't have trees around the dams, but we have planted grass because it will reduce the amount of evaporation around the dam area meaning that the water pans we have no longer get exhausted due to evaporation. Cattle can also graze on the grass," he says.

Water pumping from the dams to crops is done through pump hoses. First, the attendants that operate these equipment are trained. This implies that the pumping and transfer of water is done within the required regulations.

The estate mostly uses drip irrigation through the use of micro-sprinklers. A micro-sprinkler gives the exact water that is required by a particular crop. For instance, for a young avocado tree plant aged between one and three years, the micro-sprinkler will ensure that water is only spread to the roots and does not where the roots cannot reach. Water needs per tree are guided by specific readings, contrary to overhead sprinklers that would spread water beyond where the roots and crops are.

Kakuzi uses chippings and avocado pruning and leaves as mulch to contribute to soil health and help retain moisture. "When these leaves and chips spread at the base of a tree, overtime they decay and become humus. The leaves are nutritious meaning nitrogen fixation that comes with leaves and chipped materials find its way back to the tree, reducing the requirement for in-organic fertilisers," says Mr. Gathee.

Interestingly, these dams have become habitats of hippopotamuses, crocodiles, and aquatic life. What started as water catchment project now is home to a beautiful environment of woodland and aquatic life. Kakuzi has a cohesive and integrated relationship with these animals. "Our operations are aligned to when these animals are in-active to avoid human-wildlife conflict," he says. However, in extreme cases, Kenya Wildlife Service (KWS) takes over the situation.

Water consumption between 2018 and 2020

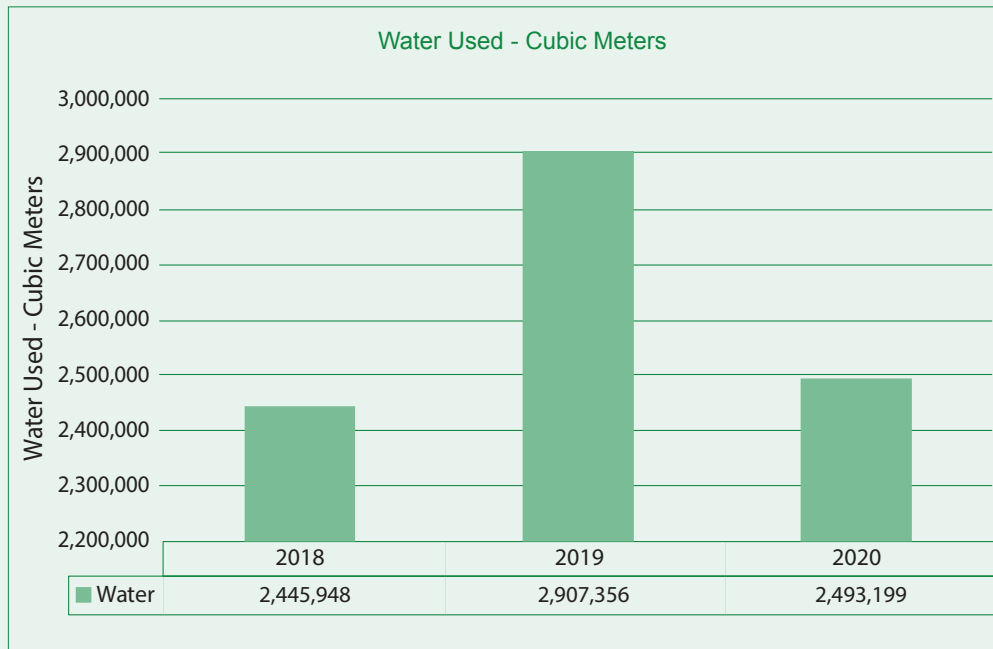


Fig 1: water usage from dams (Cubic meters)



Water harvesting and storage strategies in nearby schools are well catered for. This is meant to impact the ideals of water harvesting, storage, and develop a culture and an attitude of conservation and environmental sustainability in young people.

Boreholes

The estate is keen on having sufficient and reliable water supply in its employees' houses. With about 981 houses for its staff and their dependants at all levels, each household has access to potable fresh water and sanitation facilities. Clean drinking water and sanitation facilities are provided in the workplace for both field and factory workers. Mr David Migot, the Engineering manager at Kakuzi, says they strive to enhance community development and poverty alleviation within adjacent communities through the sustainable use of available resources and disbursement of conservation benefits. He adds they engage in community water development project/ schemes which make a considerable different to the community.

“At the estate we have about nine boreholes which are piped into specific areas within the pumping system. Again there is a guideline on what one can do and not do with this kind of water just to ensure there is efficiency and there is no wastage occurring,” says Mr Migot.

Springs

The company has further developed springs for the community which yield water throughout the year. For instance, Wariunga and Kinyangi springs serve over 200 families and two primary schools. The engineer terms this as an effort towards attainment of SDG 6 on ensuring availability and sustainable management of water and sanitation for all. Water harvesting and storage strategies in nearby schools are well catered for. This is meant to impact the ideals of water harvesting, storage, and develop a culture and an attitude of conservation and environmental sustainability in young people. At the pack houses, water used for cleaning fruits and mixing Plant Protection Products (PPPs) usually undergoes tests to ensure that it is safe. This ensures that they comply with international food safety standards, making it easier for Kakuzi to comply with the demands of higher value markets and supply chains.

Future

The company is upgrading all the systems and coming up with elaborate designs to ensure water sustainability



*REGENERATIVE
AGRICULTURE*

At Kakuzi, our crop production practices are designed based on Good Agricultural Practices. This improves soil health, expands biodiversity, improving the water cycle, increasing organic matter in soil structure, and sequesters carbon. We advocate the use of Integrated Pest Management (IPM) that is based on using natural interventions to control pests which damage the crop whilst trying to preserve beneficial insects. IPM aims to avoid economically significant crop losses while reducing pesticide use and risks. Regenerative agriculture is ultimately about how agriculture can have a beneficial impact on climate change by taking atmospheric carbon and capturing it into the soils by rebuilding the soils organic matter content. At Kakuzi we achieve this by combining our tree pruning material and composted organic matter into the soil on an annual basis.

Promote biodiversity - We plant cover crops (Rhodes) in order to protect the soil from weather erosion, improve biodiversity, control weeds and retain nutrients. We also plant nitrogen fixing plants (nitrogen fixer) to assist in fixing nitrogen that the crops absorb.

Minimum tillage - Our soils are only 'touched' during planting through cross-ripping. Our weeding practices ensure that we eliminate soil erosion.

Reduce the use of artificial fertilizers - While we use synthetic fertilizers, our fertilization program is based on solid data. Prior to fertilizer application, we carry out soil analysis and leaf analysis. This information coupled with expert input informs our fertilizer program. All fertilizers

applied in our fields are analysed for heavy metals and other contamination before application. Simply put, we replace the exact quantity of nutrients that the crop has absorbed from the soils by using both organic and inorganic fertilisers. This preserves a healthy balance of microbes in soil enabling natural relationship between plants and soil organisms.

Through our early detection systems (underground and surface water analysis, bee population in the colonies and the population of beneficial insects), we are able to avoid the negative effects of chemicals seeping into water sources and the atmosphere.

Liming is also based on soil tests - Liming requirement is generally to correct soil pH especially in new plantations which were previously not under good regenerative management. Liming unlocks the locked nutrients in the soil making them more accessible to plants.

Sustainable livestock rearing - Kakuzi has 4,500 heads of cattle grazed on nearly 5,000ha of land. This is a stocking density of 1:1 ensuring sustainability. Our cattle are an integral part of our integrated farming systems with the grazing patterns carefully managed to preserve our water catchment areas. Overgrazing would result in potential erosion whilst undergrazing would diminish the grazing quality. We also employ the use of mobile night enclosures (bomas) – which reduces the build up of manure at central holding areas and its associated environmental problems. These mobile bomas also help in making the cattle trample on tough and less nutritious grass and ensures that manure is distributed evenly across the grazing lands.

4,500
Number of heads of cattle Kakuzi has on nearly 5,000ha. This is a stocking density of 1:1, ensuring sustainability.

“ Regenerative agriculture is ultimately about how agriculture can have a beneficial impact on climate change by taking atmospheric carbon and capturing it into the soils by rebuilding the soils organic matter content. ”



WASTE
MANAGEMENT

The waste generated at Kakuzi is managed as per the waste avoidance, reducing, reusing and recycling policy. The company has measures to control and limit the amount of waste generated. Waste storage, treatment and disposal practices do not pose health or safety risks to workers, other people or ecosystems. The waste management plans include documenting origin of waste, volume and safe means of disposal. Waste is segregated at source to facilitate re-use, recycle and composting. The company gives priority to product suppliers that minimize waste associated with their products and that access used packaging and containers for recycling. Examples of our efforts towards achieving zero waste include but not limited to;

Macadamia shells and husks – Macadamia husks are composted and taken back to the farm. This adds to the soil nutrient and helps reduce the use of artificial fertilizers. The shells are used as fuel at the macadamia factory and in internal road repairs to manage excess dust.

Liquid waste – Kakuzi uses biodigester and waste stabilization ponds to manage liquid waste from processing facilities. To ensure that we break down the waste, the constructed wetland are designed and build to allow natural sunlight ultraviolet (UV) to penetrate. We also introduce essential microorganisms and water plants to optimise the efficiency of the system



Avocado and macadamia prunnings – these are chipped and put back into the soil to rebuild the soils organic matter, capturing atmospheric carbon in the soil.

Hazardous waste (fertilizer bags and ex-chemical containers) are collected, documented and disposed of through National Environment Management Authority approved waste handlers.



Kakuzi uses constructed wetlands management

CARBON
FOOTPRINT





Since 2017, Kakuzi has been working with the Carbon Trust in the UK to carefully and scientifically document the amount of Carbon Dioxide our operations produce. By doing this we are able to identify any areas where additional remedial measures are required. The next stage is to measure the amount of Carbon Dioxide our operations sequester. Today's modern agriculture must look beyond just being Carbon neutral but aim at having a beneficial impact on Climate Change.

At Kakuzi, we aim at using technology to help reduce the use of energy. We also use modern agricultural techniques to minimize agricultural inputs as well as produce products in a manner that lowers atmospheric carbon.

Equally complying with all local energy regulatory requirements, we have fully implemented the recommendations from a statutory energy audit. These include the use of efficient technology, training staff in energy-saving skills and monitoring and documenting energy usage.

Carbon emission mitigating measures

Environmental conservation

Kakuzi conducts annual state of the environment audits and environmental self-audits (copies of the reports are deposited with the Director General's office at NEMA). This helps identify, monitor and mitigate any potential impacts to the environment, community, and wildlife from any of our operations. In supporting environmental sustainability and biodiversity our summary code of practice is to;

- Comply with all environmental legislation. Assess the main environmental impacts of our business activities
- Establish programmes and operational controls to minimize environmental impacts identified in each of our businesses
- Provide appropriate training to our employees and other relevant stakeholders



200,000

Kakuzi runs an active tree planting programme with a target of over 200,000 indigenous seedlings per year.



To meaningfully appreciate the natural wonders that our beautiful planet has to offer, Kakuzi runs an environmental programme that champions tree planting with schools to provide a greener environment. The exercise aims to have students and their teachers plant trees and take responsibility for post-planting care.



students and their teachers plant trees and take responsibility for post planting care. We donate the seedlings and offer expertise on planting and after care. Trees provide direct, observable benefits to the schools and the teachers and students transfer skills gained to members of their community. Energy efficiency

We also conduct energy audits, document, and manage waste generated, and document our water usage for the purpose of monitoring and managing our carbon footprint. Implementation of the energy audit recommendations has presented opportunities to save energy.

Further, our agronomic practices are designed as per Good Agricultural Practices to ensure our commercial production is both safe and sustainable. We strive to practice the most responsible production and our approach is always to be environmentally sensitive.

Buffer zones of 50 metres against a requirement of 30 metres are planted with indigenous trees that act as a natural carbon sink. We run an active tree planting programme with a target of 500 indigenous seedlings per year per division. For this reason, our operations are both GLOBALG.A.P accredited and Rainforest Alliance certified.

Adopt a tree

Kakuzi runs an environmental programme that champions tree planting with schools to provide greener environments. The exercise aims to have

We have early detection mechanisms (e.g. monitoring insect - bee populations, ground and surface water analysis, noise level mapping, soils analysis) in place to monitor and identify potential environmental pollution that allows earliest possible corrective action.

Carbon foot print

Power consumption is majorly high where powered machinery is involved. The main power consumer is the avocado packhouse and the macadamia factory. High production recorded in both avocado and macadamia fields in 2020 created a high demand of power especially during packaging. A 36% increase in kWh was recorded (Fig 2). On the other hand, the conversion factor for power (carbon emission factor allocated by the Carbon Trust for 2020 electricity generation in Kenya) was much lower resulting CO2 emission that was much lower when compared to 2019. The Kenyan low carbon electricity mix has progressively relied more and more on renewable sources of electricity generation – mainly more of geothermal compared to hydropower.

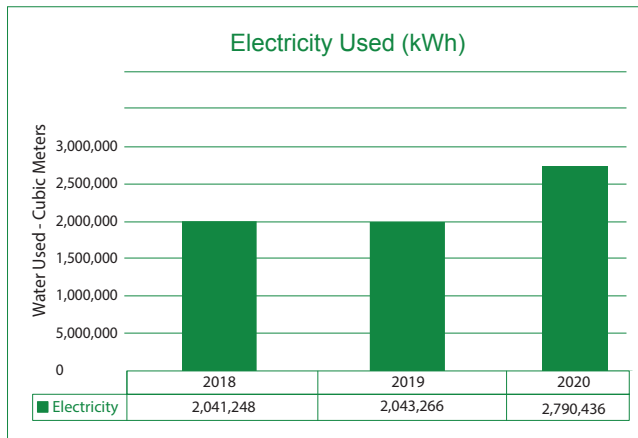


Fig 2: Electricity from the grid (Kwh)

Carbon dioxide equivalents is a measure of how much a gas contributes to global warming, relative to carbon dioxide. Diesel usage increased due to the numerous outages and the continuous power demand during packaging operations and land preparation for the establishment of new blocks both in Macadamia and Avocado divisions (Fig 3). Notwithstanding, Kakuzi PIC recorded a net reduction in emissions from 2019 to 2020 (Fig 4). This was achieved through a combination

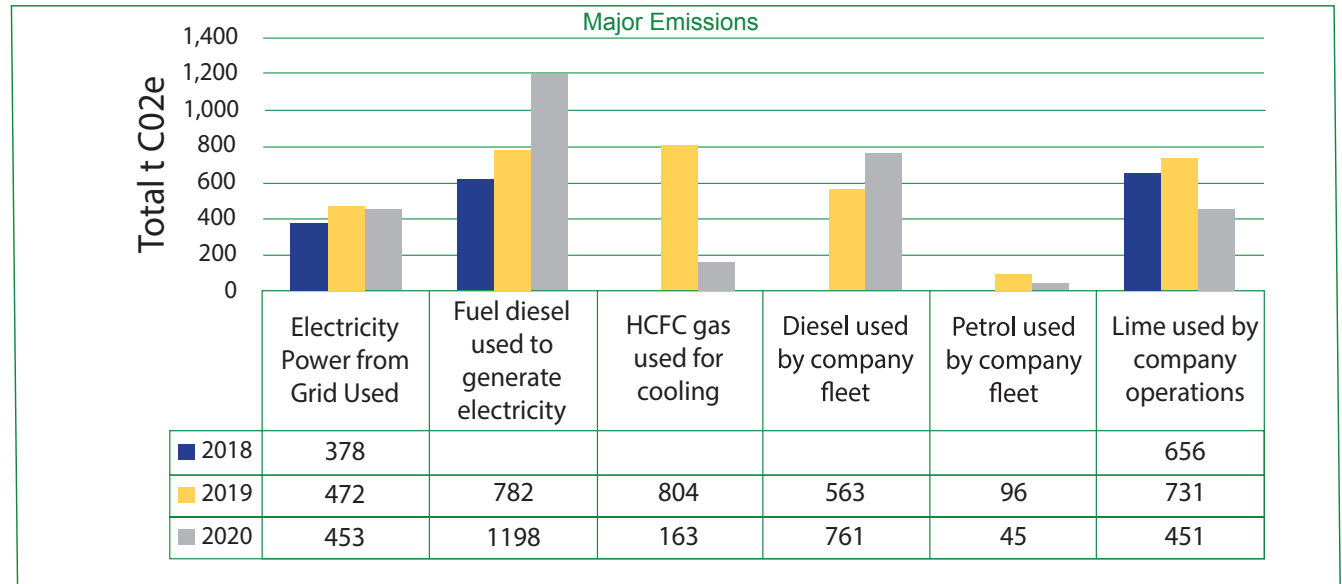


Fig 3

of factors which mainly included reduction of lime usage, replacement of cooling systems at the packhouse, eliminating leakages and the improved electricity mix from the grid. Other strategies include conservation farming, where soil is not exposed during cultivation, planting trees and reduction and optimal use of fertilizers.

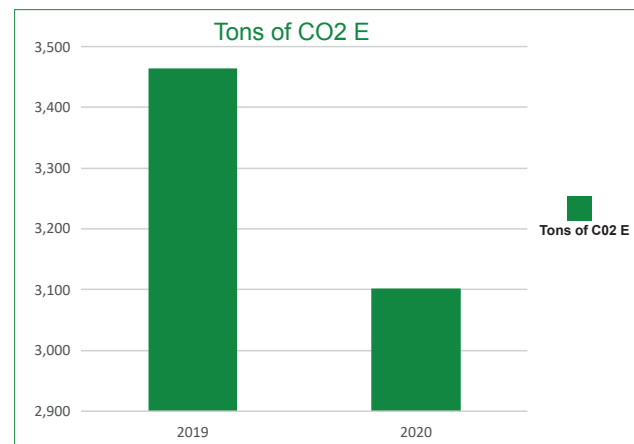


Fig 4

At Kakuzi PLC, we have developed a carbon accounting framework that has continuously improved with better data capture and management, sensitization and training. Carbon reporting is done annually to the Carbon Trust through Camelia PLC. In the near future, plans are underway to invest more in renewable energy, increase forest cover and continuously enlighten all the players and communities around the farm on the importance of reducing carbon emissions.

*DIVERSIFICATION
STRATEGY*



Case Study

Boosting blueberry farming

In June 2019, Kakuzi PLC wrapped up the construction of greenhouses to farm blueberries. This was as the company geared up to diversify into new fruits to increase its produce portfolio. The greenhouses now sit on 10 hectares where the blueberries are grown in pots in a controlled and protected environment.

The construction took 11 months and required extensive infrastructure that was made possible through a partnership with Haygrove South Africa which oversaw the work and trained a team of construction workers.

Materials were sourced from a number of countries including Kenya, South Africa, UK, Spain, China and the Netherlands. About 300 men were involved in the project, impacting not only their level of skills, but also giving them jobs. Many factors were considered before the greenhouses were set up including the tunnels.

Site selection

Since blueberries do not grow under rainfed agriculture, site selection was done to ensure that the fruit is grown separately from avocados – the firm’s largest revenue earner - and macadamias, to avoid interference.

Land preparations such as levelling and marking began. These were done carefully to ensure that there was no disturbance or negative impact on environmental resources such as springs.

Computerised irrigation

The Kakuzi blueberries are not rainfed, instead, they use a computerized irrigation system which allows the fruit to receive water according to set programmes and guidelines. Some of the guidelines include information on pH, electrical conductivity and volume of irrigation water.

With the computerized system, irrigation is controlled according to the requirements of the fruit.

Additionally, the automated system helps in controlling the amount of fertiliser used depending on the stage of growth of the blueberries. There are two phases; the vegetative phase and the flowering phase which have different nutritional requirements and water consumption.

The plants are fertilized via the irrigation system in a process known as fertigation. This means that the irrigation water is applied together with fertilizer because the blueberries are grown in substrate.



The blueberry flower is bell shaped with a narrow entrance and being very tiny, only the stingless bee can easily fit into the space as opposed to other bees which tend to struggle.

Stingless bees

In collaboration with the International Centre of Insect Physiology and Ecology (ICIPE), Kakuzi PLC has been looking into stingless bees over the years. Stingless bees are indigenous to eastern parts of the country like Mwingi, and western region in Kakamega, and are now part of Kakuzi operations at the blueberry farm. These stingless bees, which are harmless to people and friendly to use, are frequent visitors to blueberry flowers and because of their small bodies, they easily make contact with stigmas while foraging for food therefore making them efficient pollinators for blueberries.

The blueberry flower is bell shaped with a narrow entrance and being very tiny, only the stingless bee can easily fit into the space as opposed to other bees which tend to struggle. Honey bees are also used but are placed strategically around the farm to ensure they do not harm people.

Adoption of drones

With the ever-evolving technology, the use of drones in agriculture is steadily growing and Kakuzi PLC is using it as an effective approach to sustainable agricultural management to help streamline operations and gain effective insight into crops.

For example, drones provide a fast and efficient way to scout crops, track their growth and identify stress areas. They can also be used in mapping, pest monitoring, spraying and photography as well. Additionally, drones cut the cost and work hours that go into capturing data.



Climate-Smart Agriculture: *An integrated approach to farming*

Climate-Smart Agriculture (CSA) is an integrated approach to managing landscapes - cropland, livestock, forests and fisheries that addresses the interlinked challenges of food security and climate change. CSA aims at increasing productivity, enhancing resilience, and reducing emissions. Under increased productivity, CSA aims at producing more and better food to improve nutrition security. To enhance resilience, it is reducing vulnerability to drought, pests, diseases and other climate-related risks and shocks; while in reduction of emissions, it is avoiding deforestation for agriculture and identifying ways to absorb carbon out of the atmosphere. CSA has a clear focus on addressing climate change, considers the synergies and trade-offs that exist between productivity, adaptation and mitigation and also seeks to capture new funding opportunities to close the deficit in investment. At Kakuzi, we have developed climate-smart bee-keeping technologies. The company has placed beehives in the avocado orchards to attract and keep bees that play an important role as pollinators and indicators of a healthy environment. The bees pollinate crops, pastures and trees, thus contributing to food security, environmental conservation and availability of a carbon sink contributing to climate change adaptation.

“Without bees and other insects that aid in pollination, we will not achieve a quality crop. Having realised this, we took upon ourselves to have beehives within our orchards and specifically developed standards in determining how many hives we require in a given area,” says Mr. Zackary Giku, the Packhouse manager at Kakuzi in-charge of avocado packing operations.

Mr Giku explains that while other fruits have simple ways of flowering and self-pollination, avocados are different. He says each avocado tree can be covered by almost hundreds of thousands of tiny flowers and the flowering process is complex and generally occurs over a two-day period. The avocado flower first opens in the female stage, when the stigma (the female part of the flower) is receptive. It closes overnight and on the second day the male stage occurs when the pollen is shed. An overlap between male and female phases may also occur under certain climatic conditions. The difference in timing of the female and male stages means that there is need to transfer pollen from one individual flower to another. The avocado flower therefore requires a vector to effect pollination which is a necessary first step in the fruit set stage.



Without bees and other insects that aid in pollination, we will not achieve a quality crop. Having realised this, we took upon ourselves to have beehives within our orchards and specifically developed standards in determining how many hives we require in a given area, says Mr. Zackary Giku, the Packhouse manager at Kakuzi in-charge of avocado packing operations.



The avocado flower is adapted to visitation by most flying insects as is evident by its open morphology and the easy access to the nectar. Hence, flies, wasps, honey bees, stingless bees, bumblebees and other insects become potential pollinators of the avocado flower. At Kakuzi, bees are widely used to pollinate avocados in orchards. Currently, Kakuzi has about 700 hectares of mature avocados and working with three hives per hectare, with each hive giving an average of 2kg of honey. To improve on production, the management is training bee operators and also having the correct bee forage species within the orchards.

It is estimated that Kenya produces about 11,000 tonnes of honey and 1-3 tonnes of beeswax annually, translating to about 20 percent of the country's potential. The low production is attributed to lack of appropriate technologies, poor beekeeping practices, low uptake of improved technologies, poor policy guidelines and marketing skills. To mitigate this, Kakuzi has partnered with Kakuzi Hills community to establish the Kakuzi Hills Self-Help Group, a beekeeping initiative meant to diversify the community's income. Through the group, a total of 175 beehives have been supplied to members.

The program is supporting the Kakuzi Hills community with financing, technical support, and marketing of honey to establish a sustainable beekeeping project. The community has shown a desire to work with Kakuzi and the company looks to a continued meaningful engagement.



Kenya produces 11,000 tonnes of honey annually.



Kenya produces 1 - 3 tonnes of beeswax annually.



175 beehives have been supplied to Kakuzi Hills Self-Help group members.





Regenerative agriculture for sustainable farming

Regenerative agriculture involves farming practices that rejuvenate soil health.

Kakuzi has been practicing and promoting regenerative agriculture by ensuring use of water sustainably, introducing pollinators in the orchards and promoting tree planting in schools and the community. The company has taken a bold step towards soil restoration through increase of organic content to improve fertility. Through this, Kakuzi has been able to conserve and restore soil organic matter by protecting

the habitats of micro and macro-organisms, improving on soil water conservation and erosion resistance.

“Soil becomes degraded when you lose the organic matter, and here at Kakuzi, the system of land use we practice focuses on long-term viability of the soil,” says Mr Zachary Giku, the Packhouse Manager at Kakuzi, in charge of avocado packing operations.

The adoption of regenerative agriculture is based on reduced tillage, maintenance of a better balance, and



We have moved from exposed soil to the issue of cover crops. As you walk around, you will see that one of the things that we are working towards is that as we plant the first tree in a new area, then we also grow the cover crop so that land can remain covered. In the old orchards, what we are trying to do is minimise mechanical systems like when weeding we don't want to keep disturbing soil and that's why we are establishing as much ground cover to even suppress the weeds,” says Mr. Giku.

continuously nourishing the soil with permanent plant cover. Mr Giku says unlike in conventional agriculture where there is no systematic production of cover crops between two productions, the continuous presence of plant cover crops helps the agricultural ecosystem to produce a maximum amount of biomass. This is increasing the organic matter of the soil, favouring soil fertilising properties. Permanent cover crops improve soil physical, chemical, and biological properties, hence rejuvenating soil health.

According to experts, crop rotation reduces pest pressure and balances the soil's ecosystem, while diversification of plant species helps control pathogens, insects and weed pressure thus limiting the use of insecticides and pesticides. At Kakuzi, chippings of avocado pruning and leaves are used as mulch contributing to soil health and help to retain moisture. Dams and filtration traps have been created for future water use, while avocado and macadamia orchards act as a carbon sink, creating a healthy natural environment – biodiversity is improved and the hydrological cycle is completed.

Nitrogen fixation

For plants to grow, they need nitrogen, but this nitrogen has to be converted into a form that can be absorbed by the plant. Lack of nitrogen is regarded as one of the greatest limitations on plant growth, and yet plants are bathed in it because the atmosphere is 78 percent nitrogen. Most plants cannot use nitrogen in this form as it is considered inert. It has to be converted into other forms such as nitrate, ammonia, ammonium, and amino acids for plants to utilise.

In conventional agriculture, most of these plant available forms of nitrogen are obtained through synthetic nitrogen fertilisers.

Through the biological process, micro-organisms in the soil turn nitrogen in the air into plant available forms, a process called nitrogen fixation. Experts say this is done by a symbiotic organisms such as Rhizobium bacteria in legumes

and free-living nitrogen-fixers. This process is strongly associated with the amount of soil organic matter. Stable soil organic matter has carbon to nitrogen ratios of 11:1 to 9:1. Experts affirm that soil organic matter is the greatest store of soil nitrogen and most of this nitrogen is plant available.

Use of Rhodes grass as a cover crop in Kakuzi has increased soil organic matter, improved soil structure, enhanced nutrient cycling, aided in weed suppression, provided a habitat for beneficial insects and pollinators, and build on farm resilience to climate changes. The grass is used for forage and hay.

Mr. Giku notes that from a nutrition perspective, to produce one tonne of avocados, one requires 7.5kg of nitrogen. He adds that, for sustainable farming, if you remove the 7.5kg then you need to replace it with the same, since you want the soil to remain at the same level of fertility. "A single percent of organic matter will give you an equivalent of 30kg of nitrogen fertiliser per annum," he says.

Experts say biological nitrogen fixation is the major source of plant-available nitrogen in natural soil systems, pointing out that regenerative agriculture is the way to go and should be embraced by all farmers since soils will become unproductive if their health is not rejuvenated.



Farm to table:

Tracing produce from the orchards to the plate

Fresh unprocessed food has a lot of advantages to the body. It is loaded with essential nutrients, helps manage high blood sugar as it is low on sugar and keeps the heart healthy. Kakuzi takes it a step further when it comes to their produce; they make sure that the consumer can trace the food on their plate all the way back to the farm. Kakuzi believes in the “Farm to Fork” concept, with traceability at its core. Traceability is key as it aids in accurate withdrawal of unsafe food from the market when need be. The information collected during the process makes it easier and faster to identify the affected food. It also helps mitigate risks to consumers and saves time and money. With special reference to food, Kakuzi mostly deals with agricultural products. The company traces the movement of its products and ingredients through steps in the organisational chain, from the farm to the consumer, and vice versa. With its

mission in mind, which is to consistently produce quality products, the company prides itself on traceability. Practicing traceability shows that Kakuzi is ethically responsible as the firm assures customers of quality and safe food.

The strategy is important for Kakuzi’s processes, continual improvements and compliance to statutory and regulatory requirements as well as customer requirements. Smart suppliers who want to survive in the long term, prompted the company’s entry into the global market and competition. Traceability began with Kakuzi’s defined focus and vision which is to be the global leader, preferred producer and supplier of quality agricultural products. The company strives for longevity and that is why it wants to be the global supplier of choice.

Keeping this in mind, the organisation only supplies products that it can trace. For example, it only processes and supplies products such as macadamia that come from its own farms/ orchards. Kakuzi has three orchard divisions: northern, central and southern. These are further divided into estates: Northern-North Kikito, Kikiti, Mission, Central-Kaguru, Kinyagi, Southern-Kasioni and Kakuzi. Since the estates are within Kakuzi’s control, it is easy to collect and keep sufficient relevant data. Additionally, traceability is easily communicated to the consumer. This starts by documenting and linking production, processing, distribution chain and ingredients. The company uses package labelling and issues package lists and Certificates of Authenticity (COA), which contain unique production codes of every package it sells to consumers. A consumer only needs to quote the unique code and Kakuzi will trace the product from their fork back to the farm.

But how does traceability benefit the farmer? The farmer, the primary producer, will have a way to swiftly respond and recall products if need be. Advantages of traceability are that tracking produce through the supply chain reduces costs and duration associated with recalls or contaminated products. Traceability also enhances Kakuzi and the farmer’s image, and instills consumer confidence in the products purchased. Farmers can also track production and reduce contamination (or diseases) or produce spoilage, as they use the information to identify relevant hazards before the affected products reach the market. Farmers also use the information they obtain through traceability to plan integrated pest control and also get an opportunity to communicate with their consumers.





Tackling global warming through reduced carbon footprints

The world has been grappling with global warming as a result of carbon emissions due to industrialization and related human activity.

Various studies by scientists have shown that the planet is in serious jeopardy unless urgent remedial measures are deployed. The effects of global warming have been evident around the world. These include rising seas, disruption of weather patterns, drought, depletion of fresh water and extreme weather activities such as hurricanes.

Through various conventions such as the Earth Summit and the Kyoto Protocol, the United Nations has come up with resolutions and programmes aimed at reducing carbon emissions to below 2°C per year.

Such efforts include concepts such as the carbon offsetting initiative that brings countries together to respond to climate change. Through this concept, countries come on board to engage in commercial trading of carbon credit reductions in a common market.

While the carbon trading and offsetting has been rolled out in most of Europe and parts of Asia, in Africa, only South Africa has established a market under the UN guidelines. In Kenya, however, some companies such as Kakuzi PLC are already engaging in carbon foot prints and trading in the global market through the company's group, Camilia of UK.

Mr David Migot, the engineering department in-charge at Kakuzi PLC, explains that carbon footprints are measured in equivalent tons of CO₂ during the period of the year and can be associated with an individual, organisation or a product among others.

"As a group, we are legally required to comply with carbon foot print reporting which we do annually. After doing carbon analysis, we submit our report to Camilia. At Camilia, the report is merged with others from our other groups to make one report," Mr Migot explains.

Kenya is expected to establish a carbon market by the end of the current financial year with funds having been factored in the 2021/2022 budget. In carbon trade, a country or polluter having more emissions of carbon is able to purchase the right to emit more. A country with low emissions sells the right to emit carbon to other countries or entities. This way, countries or polluting entities emitting more carbon emission satisfy their carbon emission requirements. This method has been found as the most cost effective in carbon reduction.

Mr Migot says that carbon reduction measures have immense and direct impact on a company's financial health. Following the UN guidelines, Kakuzi PLC has been able to analyse its energy requirements to introduce efficiencies in production systems.



The United Nations has come up with resolutions and programmes aimed at reducing carbon emissions to below 2°C per year.

"Energy is a huge component of production. Following the guidelines, we are able identify areas where we can cut down on the use of energy and reduce cost of production," he adds. For instance, the company uses a lot of water for irrigation. The water is pumped from place to place using diesel engines. The company has introduced meters to measure soil moisture to avoid unnecessary irrigation thereby cutting back on the use of fuel. Where possible, the company uses gravity to deliver water to the fields.

"When we you introduce these efficiencies into the system, you are able to grow your crops competitively and increase profit margins," says Mr Migot.

Kakuzi recognizes that it cannot tackle environmental issues in isolation. It has therefore brought on board host communities in its conservation efforts.

“Like ourselves, our neighbours are farmers and we share common concerns regarding the environmental impact on rainfall and weather patterns. It is critical that we get adequate rain at the right time otherwise we will engage in more irrigation which fuels emissions and deplete water supplies,” the engineer observes.

To constructively engage the community, Kakuzi PLC has at its disposal the Water Act of 2009 that provides for the establishment of water users associations.

Through the associations, the firm has been instrumental in sensitizing communities on the fact that global warming is a problem that needs to be addressed by everyone.

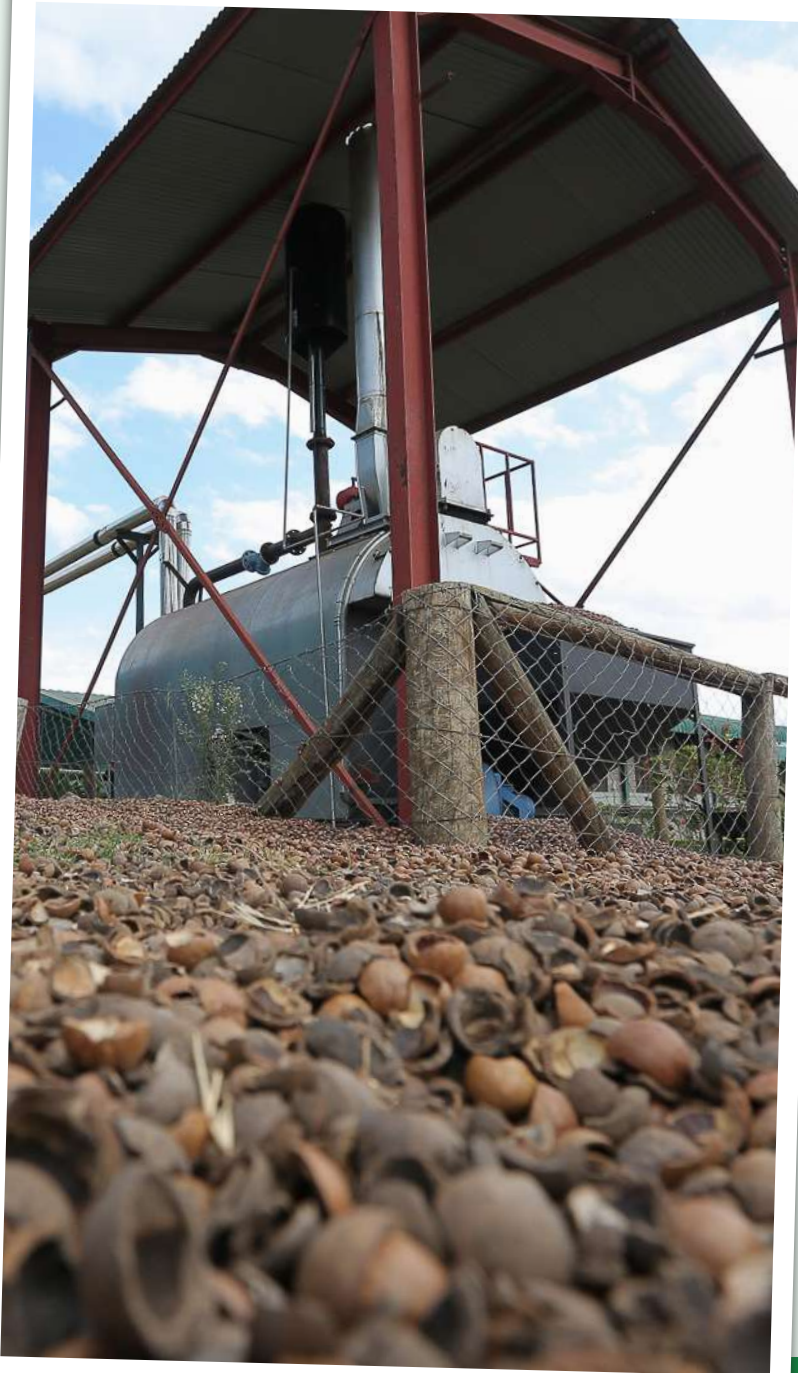
“Through barazas, we have been drawing attention to the adverse effects of global warming. We draw linkages between global warming and disruptive weather patterns, water scarcity and food insecurity,” says Mr Migot.

Kakuzi PLC has brought together other water users associations in the region to craft measures to nurture the environment. Such measures include planting suitable tree species and the protection of water sources and catchment areas. The associations also protect riparian areas and engage in prevention of soil erosion.

“We also encourage communities to turn to organic farming to reduce deployment of chemical fertilizers and pesticides which are in themselves sources of emissions at the application and manufacturing level,” he says.

Mr Migot is confident that once the carbon market is established in Kenya, they can easily get together as a community to trade because of the reduction measures they have in place and the evident positive impact.





Managing waste from macadamia processing

As the early morning mist lifts away, the leaves of the lush green macadamia trees rustle softly in the gentle wind. From the treetops, birds resident in the sprawling plantation sing away complementing the tranquility of the crisply cold morning.

Besides the green beauty of the macadamia trees that blends seamlessly with the natural environment, growing macadamia is one of the activities that keeps the production wheel of Kakuzi humming along each day. On average, the company production line processes three tonnes of macadamia for both local and export markets. The catch is that 70% of macadamia is waste meaning that for the three tonnes processed for the market each day, seven tonnes of waste is produced.

This has inspired the company to devise innovative and sustainable measures of waste management appropriately themed as “world without waste”.

According to the assistant general manager, Mr Mathias Muinde, the farm generates three types of waste. There is the organic waste that is generated by the company’s staff in the residential villages. The company provides housing for most of its permanent staff.

“This is mostly organic waste from the kitchens. To absorb this waste, we have the kitchen garden initiative where we encourage staff to grow various crops in their compounds. The waste from the kitchens is composted for this purpose,” says Mr Muinde.



The catch is that 70% of macadamia is waste meaning that for the three tonnes processed for the market each day, seven tonnes of waste is produced.

In addition to reducing waste, use of organic manure by employees in their kitchen gardens ensures that they have access to various vegetables that enrich their nutritional needs. This in turn translates to a healthier and robust workforce.

The second type of waste includes non-biodegradable materials such as metal, rubber and plastic. This waste also includes empty bags of fertilizers and crop spray containers.

This kind of waste requires specialized disposal methods off site. It is therefore moved to central collection points where it is removed for disposal by a contracted National Environmental Management Authority (NEMA) certified company.

The third category of waste comes from the processing of macadamia which comes in three levels.

The first level is de-husking where the green outer covering of the nut is removed. The green covering constitutes 50% of the entire product thereby generating the largest volume of waste.

The company is able to turn 100% of the husks into compost manure that is channeled into its orchards and fields where other crops are grown. This helps to enrich soil content. It also reduces the need to use chemical fertilizers cutting down on cost of production.

“After de-husking, we move to the next level that involves cracking the shells. We use the shells as fuel to run our boilers and sell any excess to local users with similar drying facilities,” says Mr Muinde.

Globally, cost of energy has been identified as a major impediment to production and consequently economic growth. The use of macadamia shells as alternative fuel helps the company cut down on cost of overall use of energy and at the same time competitively sustain production.

The final level of waste from macadamia processing is water that is discharged from the factories. This is fed to a bio-digester which is at the head of a natural purification process.

The bio-digester breaks down liquid and semi-solid waste before it is released into a system of constructed wetlands and ponds. In this system, pollutants become nutrients for microorganism which pass them up the food chain.

“In the ponds and pathways, both chemical and biological breakdowns take place. We have bacteria that predate on

whatever is in the waste. Then we have various plants that hydroponically feed on waste water taking in about 15% of the pollutants,” he explains.

The plants also transmit oxygen downwards from the leaves to the root zone. This helps in increasing water levels and enhances the activity of aerobic bacteria. At the end of this natural process, the waste water is released into the environment in a purer and safer form.



The plants that hydroponically feed on waste also transmit oxygen downwards from the leaves to the root zone.





Governance and Integrity



Nicholas Nganga
Chairman of Kakuzi PLC Board



Daniel M. Ndonge
Independent Director of Kakuzi PLC and Chairman of the Audit & Risk Committee



Stephen Waruhiu
Independent Director of Kakuzi PLC



Dr John Kibunga Kimani
Non-Executive Director Kakuzi PLC



Andrew Ndegwa Njoroge
Independent Director of Kakuzi PLC



Graham Mclean
Non-Executive Director of Kakuzi PLC



Christopher Flowers
Managing Director of Kakuzi PLC



Ketan Shah
Finance Director of Kakuzi PLC

The Board is composed of a balanced number of executive, non-executive and independent directors, who bring in a wide range and diversity of skills, experience and technical knowledge. The Board recognises that opportunities exist to consider diversity upon future retirement of non-executive directors, as per the governance guidelines. The Board of Directors is responsible for putting in place governance structures and systems that support the practice of good governance in the company. The Kakuzi Board consists of the Chairman, who has non-executive responsibilities, three independent Directors, two non-executive Directors and two executive Directors. The Board meets quarterly and is responsible for establishing the corporate governance pillars, setting the strategic direction, reviewing business performance and supervision of the management of Kakuzi operations. The Directors have the knowledge, experience, autonomy and skills enabling them.

The Principal responsibilities of the Board are:

1. Strategy
2. Acquisitions and disposals
3. Financial reporting and control
4. Internal controls
5. Approval of expenditure above specified limits
6. Approval of transactions and contracts above specified limits
7. Responsibilities for corporate governance
8. Board membership and committees
9. Approval of changes to capital structure
10. Debt financing

BOARD COMMITTEES

The Board has established Committees to assist it in discharging its responsibilities and obligations. The Committees assist the Board in carrying out its functions and ensuring that there is independent oversight of internal controls and risk management. These Committees have terms of reference approved by the Board, indicating their mandate, authority, duties, composition and leadership. The appointment of the members to these Committees draws on the skills and experience of individual Directors.

Board Audit & Risk Committee

Chaired by Mr Daniel Ndonge, an independent Director, all members of the Audit and Risk Committee have the relevant qualifications and expertise in audit, financial management or accounting.



The Board of Directors is responsible for putting in place governance structures and systems that support the practice of good governance in the company. The Kakuzi Board consists of the Chairman, who has non-executive responsibilities, three independent Directors, two non-executive Directors and two executive Directors.

The principal responsibilities of the Committee are:

1. To review and monitor the financial statements of the company and the audit of those statements
2. To monitor compliance with relevant financial reporting requirements and legislation
3. To monitor the effectiveness and independence of the external auditor
4. To review the efficacy of the company's internal control system - the Committee regularly reviews the effectiveness of internal audit activities carried out by the company's audit function and senior management
5. To review significant accounting policies and practices
6. To review non-audit services provided by the external auditors

Nomination and Remuneration Committee

The Nomination & Remuneration Committee is chaired by Mr Stephen Waruhiu, an independent Director. Its other members are Mr Andrew N Njoroge and Mr Christopher Flowers. The principal responsibilities of the Nomination & Remuneration Committee are set out below:

Principal responsibilities

- Review the balance and composition (including gender and diversity) of the Board, ensuring that they remain appropriate
- Be responsible for overseeing the Board's succession planning requirements including the identification and assessment of potential Board candidates and making recommendations to the Board for its approval
- Keep under review the leadership needs of, and succession planning for, the Group in relation to both its executive and non-executive Directors and other senior executives

- Board performance evaluation and development of Directors

The Committee met thrice during the year and deliberated on, amongst other issues:

- Training needs for the year 2021
- Board Membership changes
- The need to review succession planning

Legal risk Committee

The Legal risk Committee is a committee of the Board which serves as a link between the Board and management to:

- oversee the Company's dispute resolution mechanisms and any resulting claims and legal proceedings; and
- ensure implementation of the Operational-Level Grievance Mechanism (OGM) decisions by the Board.

The Legal risk Committee is chaired by Mr Andrew N Njoroge, an independent Director. Its other member is Mr Stephen Waruhiu. The Committee shall develop its own procedures which shall be approved by the Board. During 2020, the Committee met once.

The Committee makes relevant recommendations to the Board for deliberation, adoption and implementation by management.

Independent Human Rights Advisory Committee

The Board is well advanced in establishing an Independent Human Rights Advisory Committee (IHRAC) whose role will be to provide independent advice to the Board on matters relating to Human Rights and governance structures.

The policies include:



Fair Treatment and Good Working Conditions

Through this policy, the management commits to engage in fair employment practices and maintain a workplace free from any kind of discrimination, harassment or intimidation, and respect national laws. Workers have the right to freely organize and voluntarily negotiate their working conditions in a collective manner as established in ILO Conventions 87 and 98 and in line with the national laws. To this end, every 2 years a Collective Bargaining Agreement is entered into between Kakuzi and the workers union, spelling out terms and conditions of employment to be observed during the period.



Anti-Bribery & Corruption

This policy is in place to foster an environment that encourages ethical behaviour and compliance, while an internal committee is in place that meets quarterly to monitor this.



Modern Slavery

We seek to understand and prevent slavery and human trafficking in our operations, and to ensuring that our supply chains are free from slavery and human trafficking. Our suppliers are equally required to sign and adhere to our Anti-slavery and human trafficking code.



Whistleblowing

The Board of Directors, management and staff members are committed to upholding the highest levels of integrity and observance of the rule of law. Any member of the public can register their grievances against the company, its directors, the management or employees through the contacts provided on the company website.



Employee Welfare

The welfare of our employees is of paramount importance. We ensure that the workplace is safe and good relationships are maintained between management & employees.



Tax

It is our policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to facilitation of tax evasion. All senior managers have been trained by a leading consulting firm on anti-tax evasion matters.



Environmental

We continue to identify the environmental impacts of all our

activities and manage these in a responsible manner to minimise the impact of our activities. In supporting environmental sustainability and biodiversity our summary code of practice is to:

1. Comply with all environmental legislation.
2. Assess the main environmental impacts of our business activities.
3. Establish programmes and operational controls to minimise environmental impacts identified in each of our businesses.
4. Provide appropriate training to our employees



Health & Safety

Kakuzi maintains a comprehensive occupational health and safety programme. The components of our programme include:

1. Health and safety policy

2. Workplace risk assessment
3. Joint Health and Safety Committees
4. Workplace inspections
5. First Aid implementation
6. Fire safety implementation
7. Annual Third Party Health and Safety audits
8. Health and Safety Training

A senior member of the management team has overall responsibility for health and safety supported by safety committees composed of management and employee representatives.



Product Safety

Kakuzi PLC is committed to the supply of quality and safe products. Our Food Safety Management System has incorporated

Hazard Analysis Critical Control Points (HACCP) principles, Prerequisite Programmes (PRPs) and Operational Prerequisite Programmes (OPRPs), which ensure that our food products meet consumer safety requirements, as a minimum.



Product Identification and Traceability

To ensure the final product can be traced from the delivery of the raw materials, through the processing/ packing plant to the final despatch to the consumer of our Macadamia, avocado and blueberries.



Anti Sexual Harassment

This policy ensures that the work environment is free from and does not tolerate sexual harassment of any kind. The policy has an inbuilt mechanism through the Sexual Harassment Awareness Reporting and Prevention (SHARP) programme that assures all employees, job applicants, clients, customers or any other stakeholder of the right to be treated with dignity and of the avenues available for confidentially reporting such cases, should they occur.



Labour Relations

Employees who work with Kakuzi are treated with dignity and their well-being is always a priority. There is full compliance with the Kenya Labour Laws. This means we ensure no forced, bonded or prison labour is employed, we observe the legal working age, and pay wages that meet or exceed industry or legal national minima. The company fully participates in collective bargaining agreements as stipulated in law.

Our Accreditations



RAINFORREST ALLIANCE

Our Avocado Operations in Makuyu and tea estate in Nandi Hills have socio-environmental management systems and processes covering ecosystem conservation, wildlife protection, fair treatment and good working conditions for workers, integrated waste management and good community relations.



FSSC 22000

The Avocado Packhouse and Macadamia Cracking Plant have established Food Safety Management systems to handle avocados and macadamia from the field through to dispatch ensuring the product is fit for human consumption. Systems are in place to ensure that there is full traceability back to the farm.



GLOBALG.A.P.

With the GLOBALG.A.P standard we can reassure our customers that our food products are produced with minimal detrimental impact to the environment with little use of chemicals and that we take a responsible approach to worker health and safety and animal welfare.



HALAL CERTIFICATION

Our beef products are Halal certified.



DIAMOND MARK OF QUALITY

Our treated wooden poles have been granted the mark of quality based on excellent performance of the product.



QUALITY
KAKUZI
PRODUCTS

ESG
Society

2020

