

Tea Production

Our tea is produced at Kaboswa Tea Estate in Nandi Hills, a property of Kakuzi PLC but managed by Eastern Produce Kenya (EPK) Limited. Nandi Hills enjoys two wet seasons – the short rains during October and November and the long rains, beginning at the end of March to early June.

These rainy seasons keep the moisture in the ground for much of the year, and the teas produced are excellent in quality, bright and golden with outstanding flavour. The region enjoys ideal climatic conditions which makes it possible to pick tea all year round.

The area under tea production is 510 hectares of matured tea. In 2022, we produced over six million kilograms of green leaves. The high quality of our tea has been achieved over the years by retaining, applying sustainable production and harvesting techniques, and training our employees in harvesting mechanisms.

The tea is processed at Kaboswa Tea Factory, which is certified in – ISO 22000:2005 – Food Safety Management System, Rainforest Alliance, UTZ Certification, and KEBS certification.

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Our Community Initiatives, Kakuzi, Community Partnerships

At Kakuzi, we believe in the power of community and the importance of fostering sustainable relationships with the people living in the areas surrounding our operations. Our community initiatives are designed to empower and support local communities, creating a positive and mutually beneficial partnership. Some of these initiatives are road rehabilitation, school support through donations, and implementation of programmes that look into the health and well-being of our communities.

Our People

In 2022, we trained

90

staff members
on mental health



Employee Welfare

At Kakuzi, we consciously have made great strides to improve employees' well-being. We have implemented various measures to help employees navigate the balance between how they live and work. To improve employee welfare, we instituted several measures such as building nursery schools in the farms and a dispensary for the employees and their families. We have also built schools supported by the Company, employed public health officers, trained managers and public health officers (PHOs) on mental health awareness and counselling, and offered employee study loans.

In 2022, we trained 90 staff members on mental health and counselling (77 management and 13 PHOs). The training took two weeks, and all cadres of management and PHOs were trained.

We also refurbished schools such as Kakuzi Primary School, Kinyangi Primary School, and Kitito Primary School to assist our employees' children to study in a safe and clean environment. We equipped the schools with desks, books, and computers and employed Board of Management (BOM) teachers. Each school had two BOM teachers, and the Company paid their salaries.

A Healthy Workforce

We recognise that good health is fundamental to employee well-being, to this end, we operate on-site dispensaries, to provide medical assistance to our employees. Additionally, we collaborate closely with public health officers to instigate comprehensive healthcare services. This partnership facilitated over 2,000 employee visits for preventive and curative care in the past year alone.

Prioritising Mental Health

Kakuzi's commitment to employee well-being extends beyond physical health, and we have embarked on comprehensive training programs to address the crucial issue of mental health. We have 13 public health officers at Kakuzi who have all received mental health awareness and counselling training. This strategic initiative helps employees access crucial mental health support when needed, emphasising the importance of mental well-being in the workplace. As of last year, approximately 80 managers within the organisation underwent awareness training to better understand and support mental health initiatives. This collective effort contributes to a healthier, more compassionate workplace culture where employees feel valued and supported in their mental health journey.

Our Employee Numbers

Gender	2020	%	2021	%	2022	%
Male	1,799	69	1,703	64	1803	64
Female	799	31	943	36	997	36
Total	2,598	100	2,646	100	2800	100

Performance Management Program

Kakuzi's commitment to employee development is also exemplified through its Performance Management Program, which we have implemented internally. This long-standing initiative plays a pivotal role in evaluating and enhancing employee performance. In 2022, this program assessed approximately 2,000 employees, identifying performance gaps and areas for improvement. This program enhances employees' skills and effectiveness, contributing to their growth and productivity.

This has helped the management understand and measure the performance of employees in line with their job descriptions. It has enabled us to identify the gaps which translate into training needs. In 2022, 65 percent of employees were trained in this ongoing program.

The entire Board and Management have been trained on ESG and Sustainability. As a Company, we have deployed the policies, strategies and corporate governance, which are integrated into our leadership. We also trained five employees in partnership with the Kenya Association of Manufacturers (KAM) on regulatory compliance. Additionally, we trained 68 employees on the Data Protection Act in





Employee Welfare

Case Study

partnership with the Agricultural Employers Association.

Kakuzi Employee Welfare: Mr. Tyrus Kinyua, Oldest Employee

Mr. Tyrus Kinyua joined Kakuzi as a Mechanic Welder in 1990 when he was only 27. He started in the Engineering Department, focusing on coffee production. He worked in the coffee division until he was transferred to Forestry in 2000, where he continued his work as a welder and mechanic. Later, he was transferred to Kitito Workshop, where he has been fabricating and welding machinery.

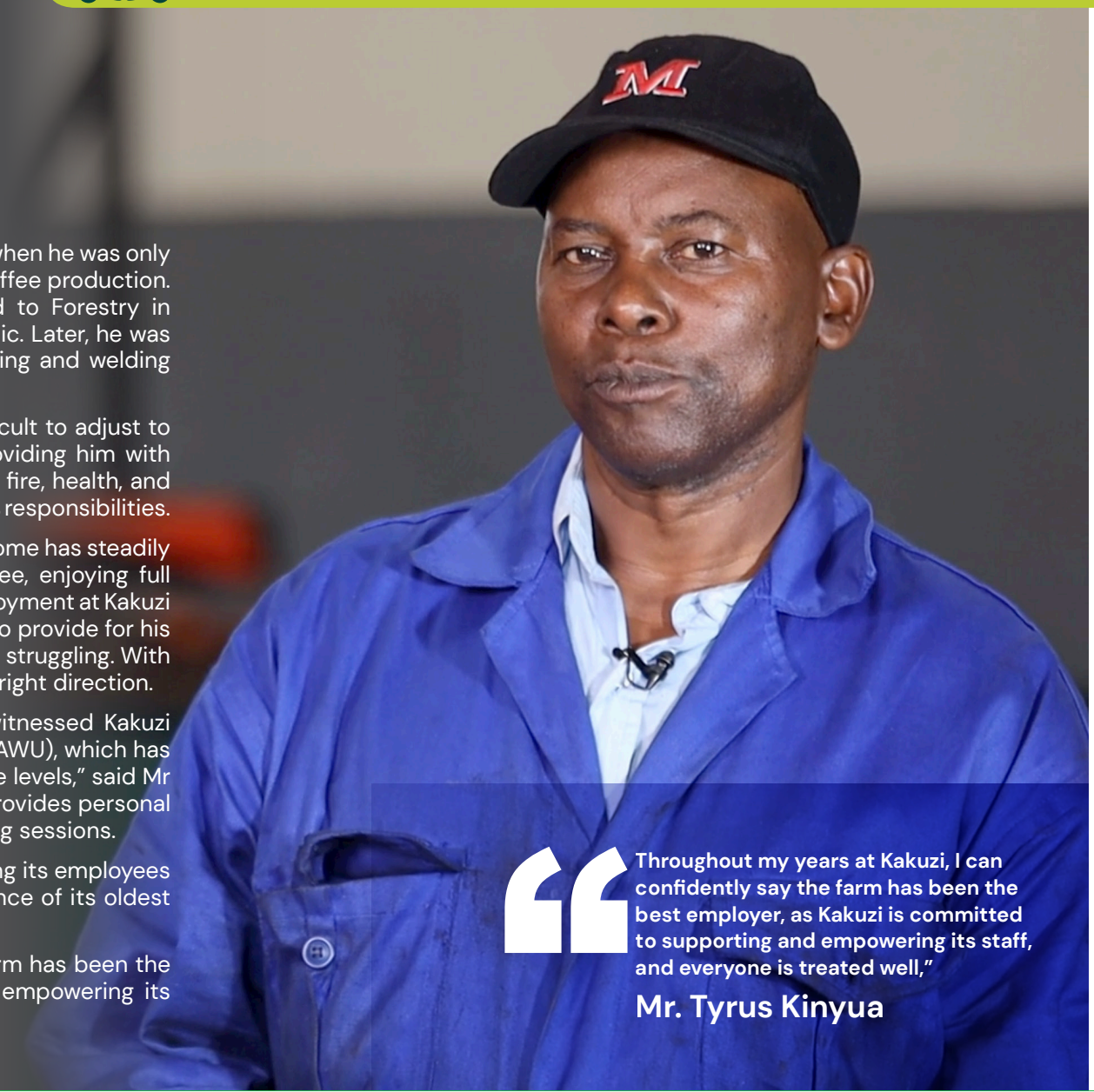
Throughout his employment journey, Mr Kinyua found it difficult to adjust to different departments. However, Kakuzi was supportive, providing him with training to quickly adapt to his new roles. He was trained on fire, health, and other safety measures so he was well-equipped to carry out his responsibilities.

Working at Kakuzi has transformed Mr Kinyua's life, whose income has steadily increased over the years. Now, he is a permanent employee, enjoying full benefits such as insurance products and a pension plan. Employment at Kakuzi has supported him through various life stages, enabling him to provide for his family and assist his children to receive an education without struggling. With the Company's support, Mr Kinyua has steered his life in the right direction.

Over the years, Kakuzi has transitioned for the better. "I witnessed Kakuzi join The Kenya Plantation and Agricultural Workers Union (KPAWU), which has significantly improved our welfare, safety measures and wage levels," said Mr Kinyua. Kakuzi prioritises the welfare and safety of its staff, provides personal protective equipment (PPEs) and conducts numerous training sessions.

The Company has established a strong reputation for retaining its employees and has consistently prioritised the well-being and sustenance of its oldest employees over the years.

"Throughout my years at Kakuzi, I can confidently say the farm has been the best employer, as Kakuzi is committed to supporting and empowering its staff, and everyone is treated well," said Mr Kinyua.



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Mr. Tyrus Kinyua

Road Rehabilitations for the Communities

About three years ago, smallholder farmers in Ithanga struggled to transport their produce from their farms to the market. As a result, they failed to get opportunities to sell their produce. The main barrier was the impassable dilapidated Kahuruko–Sunset link road, the main market route. It was also the same road that children, every day, had to walk to get to school, forcing them to look for longer alternative routes.

But that is no longer the case as the 3.34km road has been rehabilitated. Now, it provides easy access to markets and public utilities for farmers and other community members who live in the area and need to get to shopping centres and amenities.

For more than 25 years, Kakuzi PLC has worked with local communities and authorities to rehabilitate dilapidated rural roads around the communities in which it works to improve access to services and economic opportunities for the residents.

As part of our efforts to ease movement and transportation, the Company has rehabilitated seven roads that have generated positive impacts beyond mobility.

The roads have made transport services easier and increased mobility for residents who do not own any means of transport. The economic impact is also felt as business people/farmers now have increased income opportunities because they are well-connected and have better access to the markets. Farmers no longer have difficulty transporting their goods to the market, and the market is flourishing as customers from other villages come to buy their produce.



School Donations and Renovations

Education is an agent of change in communities that contribute to social stability and drive the economic growth of a society. In line with this, in 2022, our Corporate Social Investment (CSI) programme focused on five pillars aligned to Sustainable Development Goals (SDGs):



During the year, in line with SDG 4 - Quality Education - which calls for inclusive and equitable quality education and promoting lifelong learning opportunities for all, we continued to make investments to promote the availability of quality education to the local communities through furniture donations, improving quality of learning by supporting employment of six additional Board of Management (BOM) teachers, upgrading schools' infrastructure, interventions addressing challenges of water shortage, and provision of adequate sanitation facilities in learning institutions.

We donated 1,571 pieces of classroom furniture to 97 schools at a cost of Ksh3,994,709. We spent Ksh5,520,059 to renovate Kinyangi Primary School and an additional Ksh1,080,000 for

six more BOM teachers in Kinyangi, Kitito, and Kakuzi primary schools. We also donated 10,000-litre rainwater harvesting systems each, to 12 schools at the cost of Ksh3,189,210. We also put up 54 sanitation facilities in 15 schools for Ksh5,085,959.

Our interventions promoted school retention and smooth rollout of Competency-based Curriculum (CBC) and reduced the teacher-to-pupil ratio, improving the quality of learning. The projects improved students' concentration, learning and hygiene practices and offered solutions to water and sanitation problems the schools had been facing. In these schools, pupils, especially those in lower classes, benefitted from sanitation and hygiene lessons facilitated by Kakuzi PLC managers.

During the year, over 3,500 learners benefitted from good quality classroom furniture, with renovations undertaken at Kinyangi Primary School helping over 240 pupils. The additional six BOM teachers posted to Kinyangi, Kitito and Kakuzi primary schools greatly impacted over 600 pupils. More than 3,000 learners gained from our rainwater harvesting systems, and another 3,500 pupils are making the most of their institutions' improved sanitation facilities.

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Community Welfare

Case Study



Kinyangi Primary School

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Kinyangi Primary School Renovations

Kakuzi PLC continues to work with education stakeholders towards attainment of Sustainable Development Goal (SDG) 4 that calls for quality education for all.

In 2022, the education support programmes comprising infrastructure development and related works were undertaken at several public education facilities in Makuyu Sub-County in Murang'a as part of Kakuzi's corporate social investment.

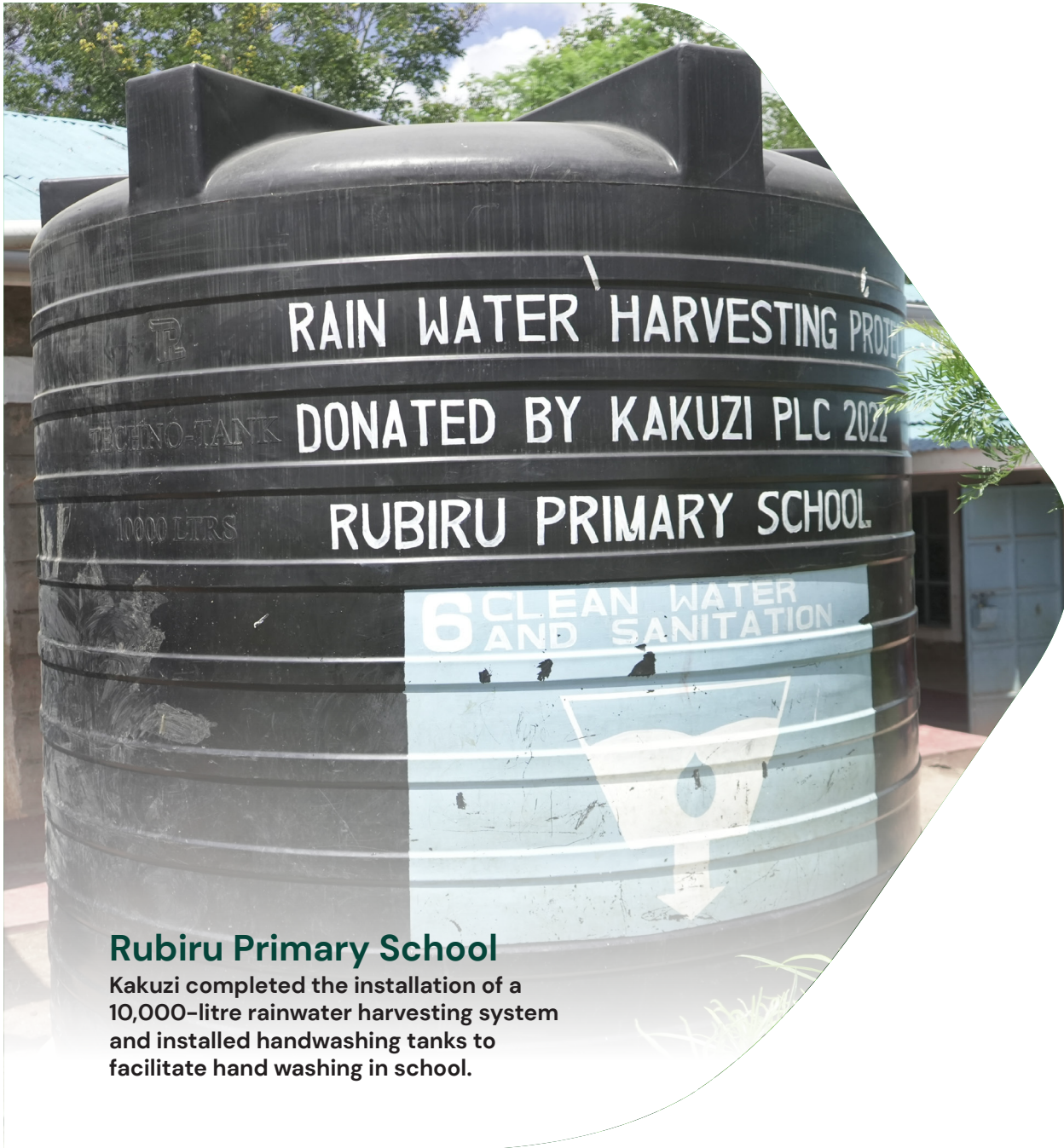
At Kinyangi Primary School, a Catholic Diocese of Murang'a sponsored public institution which sits on a 12-acre piece of land within Kakuzi, benefitted from sanitation facilities, furniture and classrooms facelift. The school has a pupil population of 240 and 10 teachers – two are BOM teachers sponsored by Kakuzi PLC and the other eight are from the Teachers Service Commission (TSC).

“For the last two years that I have been in this school, I have seen several challenges as well as opportunities. Before I joined, the school had stayed for two years without a headteacher because of numerous challenges the school was facing,” said Mr Davis Gitonga, Kinyangi Primary School Headteacher.

After joining the school as the headteacher, he wrote a letter to Kakuzi PLC Managing Director Mr Christopher Flowers and informed him about the poor state of the institution requesting assistance from the firm. “He promised that we would walk the journey together.”

“Kakuzi PLC started with sanitation facilities, tables and chairs for teachers, desks for pupils, and have renovated the entire school from PPI up to Class 8. They even gave our computer lab a facelift. Our girls are also getting sanitary pads from Kakuzi PLC. The company has also provided us with three desktops which we are using to teach our junior secondary school (JSS) class computer lesson,” said Mr Gitonga.

And to promote the safety of Kinyangi primary school pupils, Kakuzi has employed female safety marshals who walk with the pupils to and from school. “Each and every morning, safety marshals accompany the children to school and in the evening, they also escort them back home,” added Mr Gitonga.



Rubiru Primary School

Kakuzi completed the installation of a 10,000-litre rainwater harvesting system and installed handwashing tanks to facilitate hand washing in school.

Rubiru Primary School Donations

At Rubiru Primary School, the support from Kakuzi has provided a much-needed enabling learning environment for the learners and pupils who have started recording improved learning outcomes.

The school's headteacher Ms Margaret Muiyuro said availability of clean water used to be a challenge but Kakuzi PLC came to their rescue and provided them with water harvesting and storage facilities.

Kakuzi completed the installation of a 10,000-litre rainwater harvesting system and installed handwashing tanks to facilitate hand washing in school. This has benefitted over 400 pupils in the school with clean drinking water. "It is a welcome relief to pupils who have been carrying water and walking long distances with jerry cans to collect water and this is positively impacting learning outcomes in the school," said Ms Muiyuro.

The school has a population of 415 pupils, 13 teachers (two for junior secondary school), four supporting staff, a cook and a watchman.

Rubiru's BOM Chairperson, Ms Cherrie Mbatha Kioko, said the community has vowed to take care of Kakuzi's property as a way of reciprocating the support they are receiving from the agricultural firm. "The community has said that they are going to stand and take care of Kakuzi's property which borders the community. We shall protect Kakuzi against any theft and destruction of property, especially the Macadamia which are being planted near our area," said Ms Kioko. "We are very lucky to have bordered Kakuzi because it has taken care of us as a school and as a community."

Clinic Services

At Kakuzi, we have two medical facilities run by qualified healthcare professionals, providing our employees and their dependants with free primary and curative healthcare. We run several social programs at the facilities to support our employees, the youth, and the wider community. We offer services such as Mother & Child Health (MCH), Voluntary HIV Counselling & Testing, Reproductive Health Program, Nutrition and Mental Health Awareness, Tabasamu Menstrual Hygiene Program, Stand Against Alcohol and Substance Abuse (SAASA) program, and Sexual Harassment Awareness Reporting and Prevention (SHARP). We also hold annual medical camps and sponsor medical camps with stakeholders to cater to the surrounding communities' healthcare needs.

In 2022, our health facilities offered curative services to 7,500 employees and dependants (3,700 males and 3,800 females). Under the Tabasamu program, we reached 2,900 employees (male and female). Last year, we also provided 1,437 sanitary towels to our female employees. We further visited eight schools and educated 1,854 boys and 1,931 girls. We donated sanitary towels to girls and gave the boys bar soaps.

This program aims to provide menstrual hygiene/health education, give access to safe and clean menstrual absorbents, make water, sanitation and hygiene infrastructure available, and offer safe disposal of menstrual absorbents. The program gives employees access to free sanitary towels and a supportive workplace environment for menstrual hygiene management.

We have also put in place a mechanism to handle work-related injuries. We follow the stipulated government procedures, and have two referral facilities where the Company has an MoU on how to deal with work-related injuries. In 2022, we reported 300 mild work-related injuries.



Community Welfare

Case Study

Faith Nduta: Tabasamu Beneficiary

In 2022, Kakuzi realised its objectives for SDGs 3, 4, 5, and 6 through its education, economic empowerment, environmental management and sanitation initiatives.

To address Gender Equality and Social Inclusion (GESI), Kakuzi continued to chaperone Tabasamu, its Corporate Social Investment (CSI) programme, which is a menstrual hygiene initiative that empowers women and girls.

The programme has four pillars: Education and capacity building, provision of absorbents, provision of disposable methods for the absorbents and provision of water for menstrual hygiene. The Company also leverages Tabasamu to demystify the myths surrounding menstruation.

Faith Nduta, the founder of the Go Economic Empowerment Programme (GEEP KENYA), has been a Tabasamu beneficiary since its inception. The driving force behind her charity is “to alleviate poverty through empowering communities to increase the value of the available resources.”

“I learnt about the Tabasamu programme in 2019 when I approached and wrote a request letter to Kakuzi seeking support in a menstrual hygiene programme that we had. The programme has been very helpful, especially for the project

that we are doing on menstrual hygiene. We are supporting vulnerable women and girls, mostly from Gatanga Sub-County, by equipping them with menstrual hygiene packs,” said Ms Nduta.

Before she linked up with Kakuzi, most girls in her community would miss school every month – three to five days – due to a lack of sanitary towels and the shame revolving around menstruation.

“Once they miss school, some would reach out to men to support them with absorbents, and they would be prone to many things like pregnancies, leading to dropping out of school. We’re grateful for the Tabasamu programme because of the impact that we have made in our community,” she added.

Through Tabasamu and GEEP KENYA, girls from underprivileged families stay in school without interruptions or shame. Women understand that menstruation is natural, and they understand their cycles. They have also been empowered, and they get to teach and influence other women.

Anytime Ms Nduta reaches out to Kakuzi requesting support, GEEP KENYA receives 1,000 packets of absorbents per request. She is currently working with the larger Murang’a County to reach more girls. Currently, she supports between 2,000 to 2,500 girls and 200 vulnerable women in society.

GEEP KENYA provides Tabasamu products to 40 schools around Murang’a County and 15 self-help groups in her community.

Ms Nduta stated: “This programme has impacted the community, and I would urge many other people to come and join the Tabasamu programme so that we can collectively widen the scope and create more impact.”



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Faith Nduta