



Kakuzi Material Topics	Our progress	Goals	Future Plans
<p>Material Issue 3: Community Action</p>	<p>We have strengthened our support for local communities, trying to create a positive and mutually beneficial partnership. Some of these initiatives are through road rehabilitation, school support through donations, and implementation of programs that look into the health and well-being of our communities.</p>	<p>Support in creation and development of sustainable communities</p>	<ul style="list-style-type: none"> • Youth and community empowerment through skills transfer • Helping to provide better access to quality education. • School Infrastructure • Education scholarships for deserving students • Support employment of BOM teachers in local schools • Establish education mentorship programme for learners coming from the local communities. • Increase access to quality care and treatment for local communities through partnership with local Government health facilities
<p>Material Issue 4: Climate Action</p>	<p>Our approach involves supporting environmental sustainability and biodiversity, continuously identifying the environmental impact of all our activities, and minimising and mitigating these responsibly.</p>	<ul style="list-style-type: none"> • Progressively reduce emissions from all operations by 2% based on energy saving initiatives. • Focus efforts in including green energy sources in 2024 (solar lighting for factories) • Investing in new technology to optimize usage of water (increase area of coverage from the piloted area) • Reducing usage of conventional insecticides and focus more on IPM options across the farm (reduce herbicide usage by 50%) <ul style="list-style-type: none"> • Increase circular economy in all operations (identify items or waste products for recycling) 	<ul style="list-style-type: none"> • Optimizing accuracy in data collection by use of smart technology such as sensors • Continuous auditing of all operations to identify opportunities for minimizing carbon emissions. • Capacity building for management on circular economy and sustainability to ensure awareness creation in the divisions. • Exploring renewable energy options available to us and how best to harness them. • Identifying and instituting energy saving initiatives specific for each operation. • Promoting and energy saving and sustainability culture by having competitions across divisions on carbon reduction and energy savings initiatives
<p>Material Issue 5: Supply Chain Management</p>	<p>We integrated sustainability into our supply chain management where we require our suppliers to operate sustainably.</p>	<p>To have 50 million in local purchases by 2023</p>	<ul style="list-style-type: none"> • Enhance local purchases and contractors' program. • Enhance surveillance of supply chain to ensure compliance with ethical practices, suitability and integrity.



1 Respecting and Advancing Human Rights

In the area of business, even with the best efforts, policies and practices in place, adverse impacts may still occur. In light of this reality, we believe that prevention and remediation of adverse impacts have to be at the core of meeting our responsibility to respect human rights. Guided by the UN Guiding Principles on Business and Human Rights (UNGPs), we understand that businesses are expected to go beyond impact identification to proactively put in measures that prevent, mitigate, and address adverse impacts. Our company has been intentional about integrating such measures while continuously engaging stakeholders as a key element for continuous improvement.

Our Human Rights framework is structured around three pillars. First is our Human Rights Policy which outlines commitments and actions around our salient issues. Second, is the incorporation of a Human Rights due diligence process that entails the assessment of impacts, integration of actions and communicating on progress to stakeholders. Third is the development and implementation of an Independent Operational Grievance Mechanism as a means for persons who may be impacted by activities caused, contributed or linked to our business can raise complaints in order to get them addressed formally and consistently.

At the centre of our human rights strategy lies platforms of engagement with affected stakeholders in order to understand and respond to their concerns while integrating their feedback into our business approaches and decisions. We also engage, share insights and draw expertise from State actors, businesses, and Human Rights experts.

Fostering Human Rights and Addressing Grievances

At Kakuzi, we have adopted a Human Rights Policy as our guiding framework.

The policy enumerates our commitments and charts a roadmap to integrate human rights across operations. Underpinning our commitments are our continued support for gender equality, women's empowerment, and workplace protection.

Aligned with the United Nations Guiding Principles (UNGPs), our roadmap involves establishing robust human rights due diligence systems and implementing an Operational Grievance Mechanism (OGM) known as SIKIKA (be heard). SIKIKA is a means through which persons who may be

adversely impacted by activities caused, contributed or linked to our business can raise complaints in order to get them addressed formally and consistently.

SIKIKA consists of two separate components, each with its procedure. The components are differentiated by the type of impacts that are brought forth. SIKIKA 1 is a company-managed process that concerns impacts that may occur during the normal course of business operations that can best be handled and resolved by Kakuzi staff. It consists of a Grievance Officer, departmental Access Points, Investigation officers, a counselling team and a Grievance Committee.

SIKIKA 2 is an independent process for grievances that concern allegations of severe Human Rights impacts that have been caused by, contributed to, or are directly linked with Kakuzi and/or its business partners. It consists of a Head of the Independent Human Rights Mechanism (IHRM) responsible for adjudication, a Legal-Administrative Assistant, and an Independent Investigation team. A key element has been to understand how we are involved with each impact and, in consultation with affected parties, determine the appropriate action.



SIKIKI was designed collaboratively, engaging state and non-state actors, our surrounding community, and our employees. Through extensive stakeholder mapping and active listening, we gained a holistic understanding of our existing mechanisms and identified potential issues and impacts that the mechanism should address. We also drew upon best practices and guides from other successful mechanisms and the UNGPs to enhance effectiveness.

An important aspect of the UNGPs is that businesses are expected to integrate a continuous Human Rights due diligence process of assessment of impacts, integration of actions, tracking of actions and communicating on progress to relevant stakeholders. Kakuzi has implemented a process that focuses on tracking the effectiveness of actions over time. This emphasis on continuous improvement, process refinement, and regular policy review is an integral part of our approach.

We have undertaken three impact assessments on the intersection between Human Rights and Gender, Security and Employee welfare. The assessments have supported the company in identifying impacts and understanding how our business is potentially involved with each impact, and therefore, proactively develop plans of action. The UNGPs suggest prioritising actions based on the severity and likelihood of risks to people rather than from a business-centric risk perspective. We have subsequently identified our salient issues and developed a Human Rights Action plan. The Action Plan outlines our planned measures around each of the salient issues with actionable items, allocation of internal responsibility and timelines of implementation.

In the upshot, we acknowledge that none of these is a straightforward process. This journey has been about continuous learning, communication and listening. Understanding that in doing so, we may not always get things right, we are committed to disclosing our challenges and receiving feedback as a source of continuous learning.

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Reflections on our 2022 Mainstreaming Human Rights Initiatives

In 2022, we initiated a transformative journey, introducing key initiatives centred around the integration of human rights. As we reflect on this journey, we recognise significant milestones, humbly acknowledging that our experiences provide ongoing opportunities for learning and improvement.

Respecting human rights and addressing adverse impacts – Valuing human rights has been embedded in our organisation’s core values and practises. Nevertheless, we acknowledge that despite our best efforts, adverse impacts may occur. This is why implementing a framework for the prevention, mitigation and addressing of impacts has been essential to address issues at their source, minimise harm and prevent them from escalating to more significant levels.

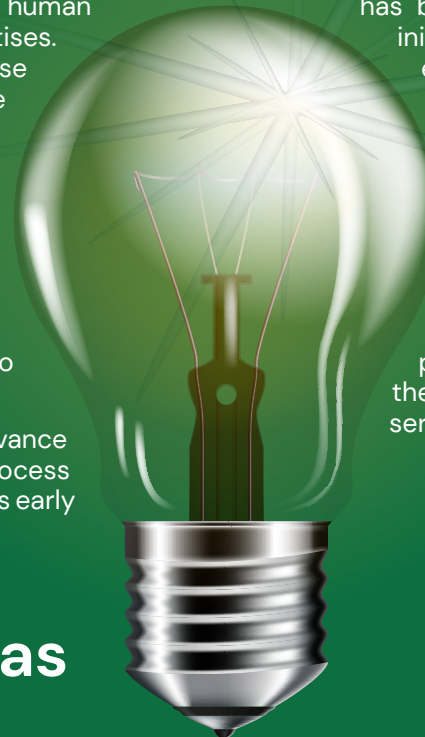
The Process Matters – Throughout our journey, we have discovered that managing a grievance is important, often surpassing the outcome. By involving the complainant in the process and maintaining open communication, we have tried to build this. Upholding the dignity of every individual involved has emerged as a cardinal approach to respecting human rights.

Insights from Documentation – Implementing a robust grievance mechanism entails thorough documentation. This documenting process enables accountability and provides valuable insights for the Company’s early

warning system. By analysing trends and identifying gaps, we can make informed strategic decisions and approaches that further strengthen our commitment to human rights.

Stakeholder Engagement – Engaging with stakeholders has been a significant aspect of our mainstreaming initiatives. We have learnt that stakeholder engagement is not always a straightforward process but a continuous journey of listening and learning. We can draw valuable lessons and continuously improve our practices by actively seeking and incorporating feedback from our stakeholders.

Feedback and Strengthened Relationships – Feedback from our stakeholders has been critically important and, at times, not always positive, highlighting the significant complexity of the human rights roadmap in the communities we serve.



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