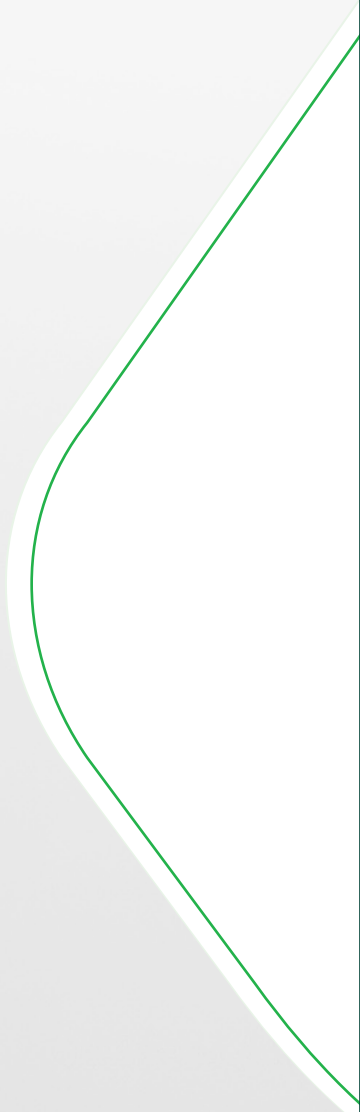




Word from the Leadership



Message From The Chairman

As we expand our presence in the global markets, we remain steadfast in championing sustainable strategies, and fostering community development initiatives. The call for climate action and responsible agricultural practices has never been greater, and commitment to this cause, I hope, is captured in this public document. We believe in transparency to enable our stakeholders to know what actions we are taking and in turn provide us with critical feedback.

In 2019, we developed our first Environmental, Social and Governance (ESG) report, marking the inception of a comprehensive assessment of our practices and impact. We have continued to enhance our public reporting to meet the ever-changing landscape on public disclosures, both nationally and internationally. We seek to align ourselves not only with the UN Sustainable Development Goals (SDGs) but also with the UN Guiding Principles on Business and Human Rights, climate related disclosures on carbon emissions, water usages, waste and social performance data with specific reference to gender equality.

Last year, our objective to grow superfoods in a sustainable and responsible manner was brought into stark focus by the drought conditions experienced throughout the country. The decision to invest in climate-smart agriculture

enabled us to mitigate the impact of drought in our horticultural and macadamia nut operations. We are continuing with this strategy as we increase our areas under precision irrigation as well as a planned increase in our water storage capacity.

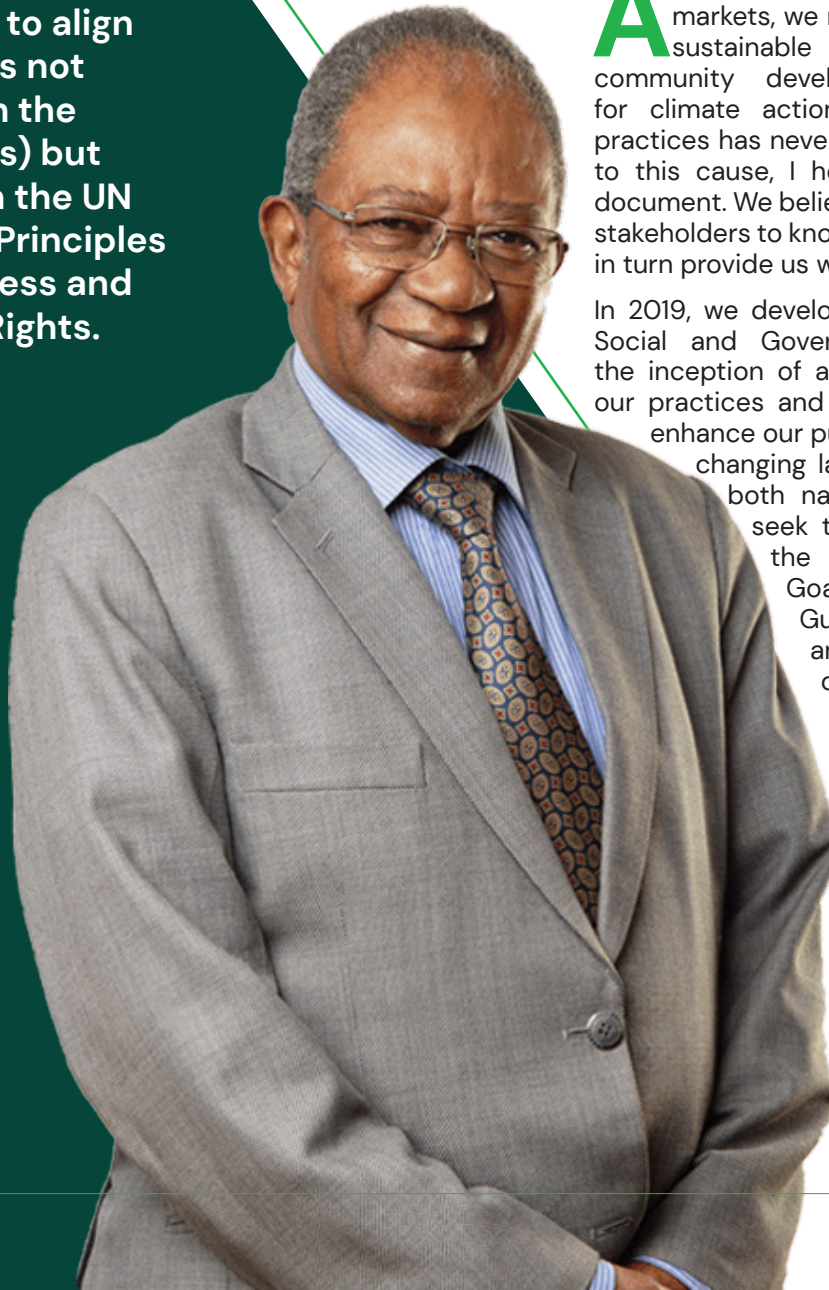
As a company, over time we have invested significant resources constructing 19 separate earth dams holding 12 million cubic metres of water. This has been achieved despite the fact that there is no flowing river on Kakuzi land. For the dams to fill with water, they must have well-managed water catchment areas. What we have undertaken as a company is to conserve the ecosystem in a productive and hopefully profitable manner through our livestock operations.

This practice is fundamental to our company's integrated approach to land management. It is important to note that, if there were no water catchment areas at Kakuzi, there would be no water in the dams which in turn would severely limit our capacity to undertake sustainable agricultural production. Our agricultural model is not unique but sadly the value of water catchments is too often overlooked or discounted. I, therefore, encourage you all to be ambassadors for climate-smart agriculture.

In 2023 we launched our new purpose clearly and concisely captured in the phrase Kakuzi Growing Together. As our operations grow, so do the opportunities we as a business have to provide innovative interventions that we believe give all of our stakeholders an opportunity to grow along side and in conjunction with us. As the Board Chair, I commit this ESG report to demonstrate our commitment to our cause, lifting others as we rise.



We seek to align ourselves not only with the UN (SDGs) but also with the UN Guiding Principles on Business and Human Rights.



Nicholas Nganga
Chairman of the Board

Message From Managing Director

In 2022, we continued to demonstrate our commitment to responsibly grown food production through our work and interventions on ethics, environmental stewardship, climate action and being a good corporate citizenship through our Kakuzi, Community Partnership programmes. We continued to carry out the foregoing through the framework of the United Nations Sustainable Development Goals (SDG's), in alignment with our published ESG reports.

Kakuzi PLC is much more than just products, it is absolutely about purpose. We make our money from the land, but we fundamentally believe that our value is generated by what we stand for; Our purpose, and critically what it is seen to stand for.

Our purpose of 'Growing Together' has to account for what the world wants from us, it has to

demonstrate our credentials transparently

and authentically, recognising our responsibility and obligation to wider society. Our purpose goes to the core of our organisation whether it's through our Kakuzi Community Partnership Programs which support education, sanitation, and environmental enrichment, or through our technical extension work of showing farmers how to grow the crops we grow, or our environmental stewardship programs which we practice daily to preserve and enhance our orchards.

In 2022, we continued to demonstrate our commitment to growing together, ethics, sustainability and good corporate citizenship practices through interactions with and involvement of key stakeholders. We continued to carry out the foregoing through the framework of the United Nations Sustainable Development Goals (SDGs), in alignment with our published ESG reports.

The year saw agriculture being confirmed as the dominant economic sector in Kenya, accounting for about 21 percent of the overall GDP. Data from the Economic Survey 2023 report shows that the industry would have performed better, but drought in most parts of the country severely affected agricultural production. However, at Kakuzi, our irrigation investments did mitigate the worst impacts of this drought.

As a company, we have aligned our strategic growth plans to the National Agricultural Sector Transformation and

Growth Strategy, as promoted by the strategy's theme: Towards Sustainable Agricultural Transformation and Food Security. We are working closely with government agencies and authorities such as the Agriculture and Food Authority (AFA) and Kenya Plant Health Inspectorate Services (KEPHIS), to expand our markets and our sustainably grown value-added range.

At Kakuzi, we are not just an agricultural producer, but a quality superfoods producer and a very large one at that. Last year, we were the largest producer of avocados in Kenya and probably now the largest single-estate macadamia producer. We were the first company to bring commercial blueberry production to Kenya, and if all goes to plan, this will expand considerably. If the commercial trials are successful an expansion into blueberries would bring further diversification to the business, enhancing profits and naturally creating additional value for both the company and shareholders.

Market diversification for Kakuzi is a key part of our strategy not only for export but also for the burgeoning regional markets. As a country, we are the 5th largest exporter of avocados in the world and it's important to note that by 2030, 50 percent of all fresh produce will be consumed in Asia.



As a result, Kenya needs to continue to increase the number of countries we can sell products, and we need to do this with favourable terms of trade. Having the combination of avocado, macadamia and hopefully blueberries as export crops being sent to America, Japan, Europe, China, the Middle East, and the UK, as well as a strong domestic value addition range, we believe, gives us the greatest opportunities to minimise risk and maximise returns.

Consumers question where their food comes from and how it is grown. Our ‘Farm to Fork’ pledge means that our consumers are reassured that the food they purchase from us has been grown responsibly. We see this market growing quickly for grass-fed beef, kabuzi, macadamia oil and nuts, as well as blueberries.



During the year, we became the first commercial exporter of African-grown avocados to China with a shipment of nine containers of quality export-grade avocados. Whilst the volumes are currently small, the development of this new market is critical to Kakuzi and Kenya. We will continue to engage trade partners in China, and other Far-East countries, to capitalise on our geographical advantage against the traditional South American suppliers to the Chinese market.

An essential priority for our company has been and continues to be the operationalisation of the UN Guiding Principles (UNGP) on Business and Human Rights. To strengthen human rights within Kakuzi, we have mainstreamed human rights in line with UNGP Human Rights Standards. Additionally, we appointed a renowned Jurist

Justice (Rtd.) Violet Mavisi as the Independent Lead of Kakuzi’s Operational Level Grievance Mechanism (OGM). The naming of Ms. Mavisi has provided impetus to our ongoing efforts to maintain an independently validated human rights management standards. During the year, our corporate community partnerships undertook interventions in education, sanitation, clean water, health, and road infrastructure.

During the year, we also received a global certification confirming that our avocado and blueberry farming operations adhere to a sustainable approach to water resources management. We received the GLOBALG.A.P. “SPRING” Certificate of Conformity, a farm-level certification that helps producers, retailers, and traders demonstrate their commitment to sustainable water management.

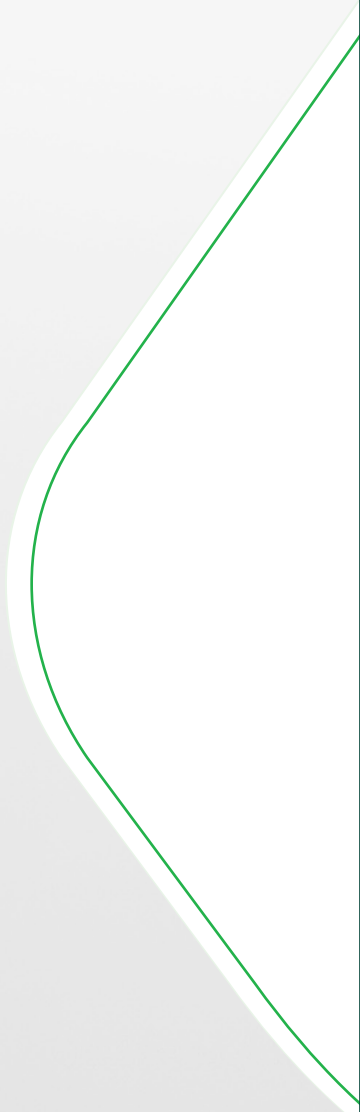
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During the year, we became the first commercial exporter of African-grown avocados to China with a shipment of nine containers of quality export-grade avocados.

Chris Flowers
Managing Director



Word from the Leadership



Corporate Governance and Integrity



The responsibilities of the Kakuzi Board of Directors include:

Upholding Governance Excellence

The Board of Directors at Kakuzi PLC is committed to upholding governance excellence. Our Board features a balanced mix of executive, non-executive, and independent directors. Each director brings a unique blend of skills, experience, and technical know-how, promoting diversity in gender, age, ethnicity, and professional backgrounds. This diversity strengthens our decision-making and reflects our commitment to good governance.

Board Composition and Committees.

At Kakuzi PLC, our Board reflects this balance and diversity, with executive, non-executive, and independent directors contributing diverse skills, experience, and technical knowledge. To efficiently discharge their responsibilities, the Kakuzi Board has established several committees, each with a specific focus. These committees provide independent oversight and expertise in critical areas.

Strategy:

Setting the strategic direction of the Company to guide its growth and development.

Financial Reporting and Control:

Monitoring financial statements and compliance with reporting requirements to provide transparency and accountability.

Corporate Governance:

Establishing and maintaining governance structures and systems to uphold good governance practices.

Acquisitions and Disposals:

Overseeing major acquisitions and disposals aligned with the Company's goals.

Internal Controls:

Reviewing the effectiveness of the internal control system for risk management.

Board Membership and Committees:

Overseeing Board membership and the functioning of various committees, to align with Company objectives.



The Kakuzi Board conducts quarterly Board meetings that go beyond mere formalities. These gatherings are vital platforms for setting corporate governance pillars, charting strategic courses and scrutinising business performance. We take an active approach to endeavour to make our operations thrive ethically and sustainably, aligning with the best interests of our cherished shareholders and stakeholders.

Ethical Conduct and Integrity

In our pursuit of governance and integrity, Kakuzi has policies and mechanisms to address ethical dilemmas and conflicts of interest. We have partnered with service providers, suppliers, UN Global Compact, and the Kenya National Commission on Human Rights (KNCHR) to implement the following policies, which enhance our core values and code of ethics:

- Code of Ethics: Signed by our employees and suppliers.
- Anti-bribery Policy: Signed by our employees and suppliers.
- Anti-facilitation of tax evasion: 19 senior managers trained.
- Anti-modern Slavery policy: Signed by our employees and suppliers.

In partnership with the Kenya National Commission on Human Rights, 160 managers and supervisors were sensitised and trained in human rights and business. These policies underscore our commitment to ethical and responsible business practices. We have also implemented various policies to enhance the effectiveness and adequacy of our governance, in order to comply with the Kenyan legal framework and international conventions. This commitment is in line with good governance practices and serves the interests of our stakeholders.

The Board of Directors at Kakuzi PLC comprises diverse directors with a wealth of experience. Our dedication to good governance is evident through our committees and adherence to essential governance policies. By focusing on diversity, transparency, and accountability, the Board endeavours to contribute to the Company's continued success and commitment to ethical and sustainable business practices. We remain steadfast in our pursuit of governance excellence, upholding the highest standards for the benefit of all our stakeholders.

Code of Ethics: Signed by our employees and suppliers.



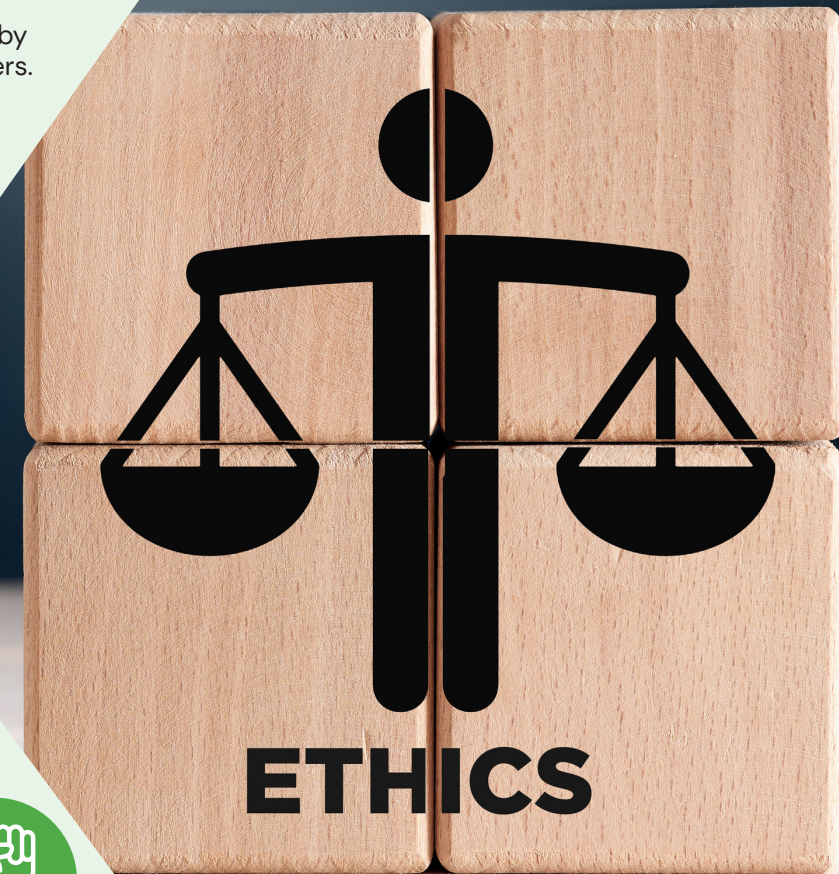
Anti-bribery Policy: Signed by our employees and suppliers.



Anti-facilitation of tax evasion: 19 senior managers trained.



Anti-modern Slavery policy: Signed by our employees and suppliers.



Aligning Sustainability to Our Strategy

At Kakuzi PLC, we are dedicated to managing our businesses sustainably and responsibly. We, therefore, adopted six of the 17 Sustainable Development Goals (SDGs) to help us accelerate development in the decade of action. We have integrated these goals into our day-to-day operations as part of our commitment to contribute to the SDGs, and in keeping our commitment to long-term agriculture. The goals are a commitment to Kakuzi to go above and beyond creating value for shareholders and positively impact the people and planet.



Kakuzi, Community Partnerships



Our Kakuzi Community Partnership initiatives are guided by the UN Sustainable Development Goals (SDGs) that we have adopted. The adopted SDGs go a long way to apprise the KPIs that inform our sustainability journey.

During the year, we supported Global Handwashing Day, Nurses Week, Mater Cardiac Program, and through the Tabasamu program we supported learners from primary and secondary schools through sensitisation on menstrual health, peer pressure, depression, stress management, and drugs and substance abuse. Through this

program, we donated sanitary towels and bar soaps to the learners.

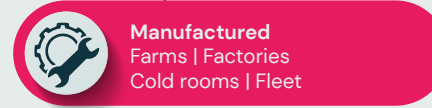
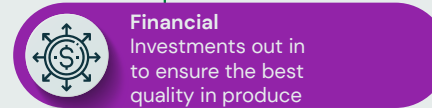
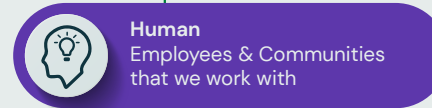
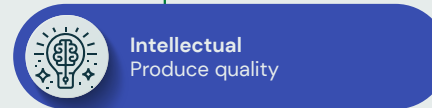
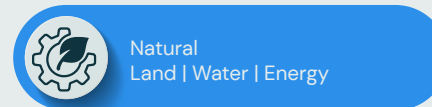
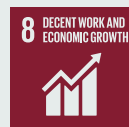
We worked with local suppliers and empowered female suppliers through training during the year. Local Purchase Order financing was given for Jiko Kisasa (modern cooking stove) construction materials for the 2nd and 3rd phases for female suppliers. 10 trained female builders were engaged in constructing energy-saving stoves in 300 households.

Achievements in 2022

Material Topic	SDG	KPI	Impact
Community Action	<p>SDG 3 – Good Health & Well Being</p> 	<ul style="list-style-type: none"> To provide our staff, and in certain cases, immediate community members with the best health care services possible. Mainstream Occupational Safety and Health Act, 2007, within our operations. To enhance dignity among school-going girls and women. Enhance human rights within the Kakuzi supply and value chains. 	<ul style="list-style-type: none"> Over 549(258M,291F) community members were reached. Services offered: Cervical, prostate cancer screening, HPV vaccine for young girls, COVID-19 vaccination, VCT, and nutritional assessment. Mater Cardiac Program for children from poor backgrounds with heart conditions – 25 employees sponsored. Construction of triage and 2-door sanitation facility at Ndula dispensary. Tabasamu topics – Menstrual health, peer pressure, stress management, substance abuse. Breast Cancer Awareness Month – 150 women benefited from breast and cervical cancer screening services. Global Handwashing Day was supported with 200 shirts 1.6 tons of food donated to over 900 Households
Community Action & Supply Chain Management	<p>SDG 4 – Quality Education</p> 	<ul style="list-style-type: none"> Support learning institutions within and outside the Kakuzi area of operations. Enhance knowledge among our staff to strive to make them competitive and keep them up-to-date with industry knowledge. Support smallholder farmers within our supply chain and local community with extension services. 	<ul style="list-style-type: none"> 97 Schools received classroom furniture. 1 School was renovated. 6 BOM teachers were supported to reduce the pupil-teacher ratio and improve the quality of education. Academic scholarships for 3 top KCPE pupils from our internal schools. 23 computers were donated to 15 institutions.

<p>Respecting and Promoting Human Rights</p>	<p>SDG 5 – Gender Equality</p> 	<ul style="list-style-type: none"> • Enhance the female quotient within Kakuzi staff through a process of continuous development. • Develop and deploy gender-sensitive policies. 	<ul style="list-style-type: none"> • We have a total of 2,800 employees employed directly with 1,803 being male and 997 females. • We have 48 male 25 females in management level. • We have 50 women taking up supervisory roles. • We introduced an all-encompassing Human Rights Policy. • We put in place a resilient Human Rights Due Diligence system. • We instituted an independent Operational Grievance Mechanism (OGM).
<p>Community Action & Climate Action</p>	<p>SDG 6 – Clean Water & Sanitation</p> 	<ul style="list-style-type: none"> • We conserve water as much as possible by practising a combination of water catchment preservation methods and using technology to apply the correct amount of water to our crops. • Continuously harvest rainwater. • Continuously support local communities to access water, including learning institutions. 	<ul style="list-style-type: none"> • 12 institutions received rainwater harvesting systems and access to clean water improving hygiene. • 15 Schools ablution blocks safe disposal of water installed. • 1 School hand washing facility
<p>Product Safety, and Quality, Community Action & Supply Chain Management</p>	<p>SDG 8 – Decent Work & Economic Growth</p> 	<ul style="list-style-type: none"> • Improve the knowledge of smallholder farmers within our value chains. • Assist organised community groups to start beekeeping enterprises. • Increase the value of local purchases to Kshs. 50 million per year by 2030. 	<ul style="list-style-type: none"> • 4 Self Help Groups (SHGs) supported with 575 avocado tree seedlings and training. • 2 boda-boda sheds were constructed. • Employment of builders 33(23M,10F) to install 300 Households with double energy-saving stoves. • Engaged local suppliers and service providers. • 3 groups received beehives and training. • Kakuzi Primary School to Ithanga Kakuzi Hills Road and Sunset to Ithanga Road and Thangira culvert constructed to enhance mobility and livelihoods for communities
<p>Community Action & Climate Action</p>	<p>SDG 13 – Climate Action</p> 	<ul style="list-style-type: none"> • Continuously measure our greenhouse gas (GHG) emissions. • Measurement, tracking and reduction of the Company's carbon emissions. • Continuously ensuring that at least 12% of our total land cover is covered with forest at any given time. 	<ul style="list-style-type: none"> • 3 communities received over 300 tree seedlings for planting (demonstration on planting and information on seedling post care). • World Environment Day was supported with 50 tree seedlings,100 polo shirts and 5 waste collecting receptacles.

Our Value Creation Model



Output

Outcome

Talent Management 03



Business Ethics 04



Efficient use of natural resources 05



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

- 2,800 employed directly (1,803 male and 997 female) & 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

Traceability



Traceability is a very important element in Kakuzi. It means that we can trace where the products came from all the way to the source. It also means we have a record to show how that particular product was grown, what fertilizer was used, and the pests and disease control measures that were taken.

To keep track of our products, we begin tracing when we receive a batch from the field. First, we identify that batch specifically by giving it a unique identifier. This unique number is put on every carton and remains there till the product is transported to the consumer.


Whenever there is an issue, consumers can quote the number, which we can trace back to the farm and the practices that were done on the farm.

Beyond the manual method, we have a system called Link Tracker, which captures several things from where the fruits were harvested to dates when they were packed. This system generates and stores in a systematic manner, both the farm and practices applied to the fruits.

Beyond our orchards, we work with smallholder farmers to trace the produce we receive from them. As expected, we cannot 100% know exactly what they have applied in the fields, but we can trace all the boxes to the farmer.

Whenever issues arise, we communicate with particular farmers and inform them exactly what is wrong with their produce. This practice benefits the farmer through the confidence they get when their products are delivered to the customer, and no issues are raised. It encourages smallholder farmers to stick to what is allowable by the pest control and produce board, in terms of the pesticides to use and the practices on the farm.

We understand traceability cannot be achieved fully if you are not in full control of the whole process from planting to selling. It is for this reason that Kakuzi takes pride in maintaining total traceability through the different phases of production.

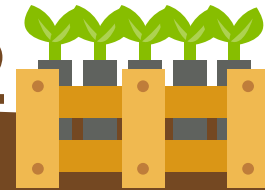


1 Seed germination

Seeds are grown in an arboretum with controlled entry to prevent the plants from getting diseases. Depending on the fruit maturity time, the seed germinates and grows to a level where it is pencil thick before it's moved to a nursery bed.



2 Nursery Preparation



After germination, the rootstock is transferred to a nursery. Depending on the type of fruit, those that require grafting like avocado and macadamia, are grafted and allowed to grow for the next 9 months.

3 Land Preparation

Land preparation is done simultaneously as the trees grow in the nursery. The land is ripped to enable the plants to have good penetration and leaf growth.



5 Transplanting

Once land preparation has been done and the seedlings are ready, they are planted in the orchard and an irrigation system is set at this point. Periodic irrigation happens twice a week.



4 Soil Testing

During land preparation, soils are tested before planting to address detected deficiencies and advice on requirements for liming and addition of nutrients.



Kakuzi Fruit Production Process

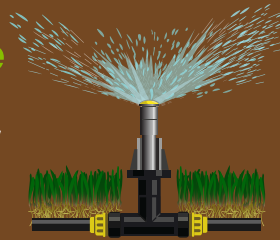
6 Fertilizer Application

The fertiliser programme entails the application of various fertilizers including nitrogen phosphorus, and potassium(NPK) and micronutrients, like zinc and boron.



7 Growth and Care

The young fruit-bearing plants require ongoing care, including regular watering, fertilisation, and pest and disease management. Pruning and training may be employed to shape the plant's growth and encourage fruit production.



8 Fruit Set and maturity

Successful pollination results in fruit set, where the fertilised flowers develop into young fruit. The fruit continues to ripen until it reaches maturity.

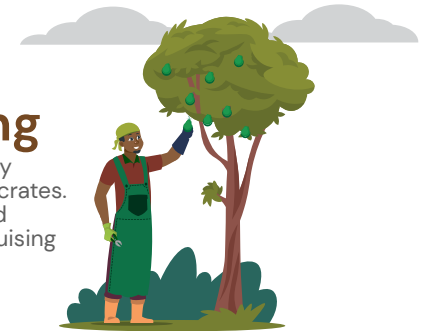
To determine maturity, we track moisture levels before harvesting

This is because moisture content or dry matter content is an element of maturity. For instance, when the moisture levels of the avocado are at 76% the avocados are mature and are ready to be harvested.



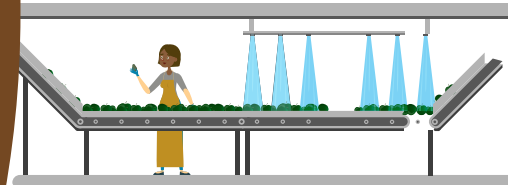
9 Harvesting

The fruits are manually harvested and put in crates. Avocados are handled gently to minimise bruising and maintain quality.



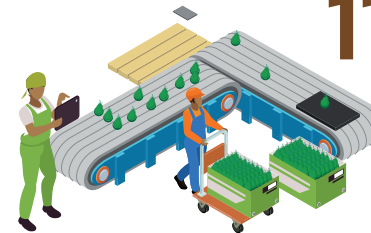
10 Post-Harvest Handling

After harvesting, fruits may undergo post-harvest treatments, such as washing, sorting, and packaging, to maintain quality.



11 Sorting, grading, packing

After sorting, grading is done by weight, and the fruits are packed. Grading is done by a mass sizer, which weighs individual fruits and delivers them to particular drop-off points where they will be packaged by size, placed in boxes, and later pallets ready for market.



12 Distribution

The mature fruits are then distributed to markets, grocery stores, or consumers, where they can be enjoyed as fresh produce.



Material Topics



Materiality

To assess what risks matter most within our business, we take part in a standard materiality assessment by engaging stakeholders to have confidence that we are effectively evaluating and measuring the risks and impact within our value chain.

As part of the process, questions are developed and shared with respective stakeholders, followed by deep dive sessions, where we investigate key issues of interest and significance to them. The process assists in prioritising topics to focus on by creating an inherent business case for endeavours that may have been previously dismissed as too costly or not having enough proof of results.

Kakuzi PLC regularly assesses stakeholder concerns and expectations and topics that present the greatest risks and opportunities for the business. Our materiality analysis helps us identify where we can provide the most value and drive our strategy and where we should focus our efforts, allocate resources, and direct our reporting.

Our approach to identifying our material topics uses existing guidelines and thought leadership, best practice examples from leading companies and lessons learned from past materiality assessments. It was also customised to reflect the context we operate in and our corporate culture.

The materiality matrix identifies the most important issues for us and our stakeholders. This helps us be aware of stakeholder concerns, expectations, and issues that present our business's greatest risks and opportunities. It's reviewed regularly by senior management to inform our external communication and reporting and to help us allocate resources where we can provide the most value to stakeholders. In line with the development of this report, a wide range of stakeholder engagements were conducted.

The following four steps were reported in our previous reporting year:



Step 1:

Identification of Potentially Relevant Topics

Important environmental, social and economic topics for Kakuzi and our stakeholders were identified using the below information sources to identify these topics:

External sources	Internal sources
<ul style="list-style-type: none"> • Stakeholder engagement and consultation • Dialogue with growers, communities in which we operate, business community, industry associations, governments, regulators, investors and the media • Topics identified by sustainability leaders and peers • Relevant sustainability standards, guidelines, publications and thought leadership 	<ul style="list-style-type: none"> • Company business model, strategies and policies • Financial and non-financial disclosures • Enterprise risk management reports • Previous materiality assessments

Step 2:

Prioritisation of Topics Important to Kakuzi and Our Stakeholders

Assessment of the potentially relevant topics identified in Step 1 to determine the ones important to Kakuzi and our stakeholders. The following criteria were used:

- **Importance to Kakuzi:** Matters that present the greatest risks and opportunities for Kakuzi’s ability to create long-term value and achieve our ambition.
- **Sample of assessment questions used:** How relevant are these topics to Kakuzi’s ability to create long-term value? How important is it for Kakuzi to conduct these activities or contribute to addressing these challenges to achieve its ambition? How does the topic support or hinder Kakuzi’s business strategy? To what extent does the topic impact Kakuzi’s value chain, i.e., supply chain, own operations, and customers?
- **Importance to stakeholders:** Concerns and expectations frequently raised by stakeholders about our Company, our industry, agriculture and food systems.

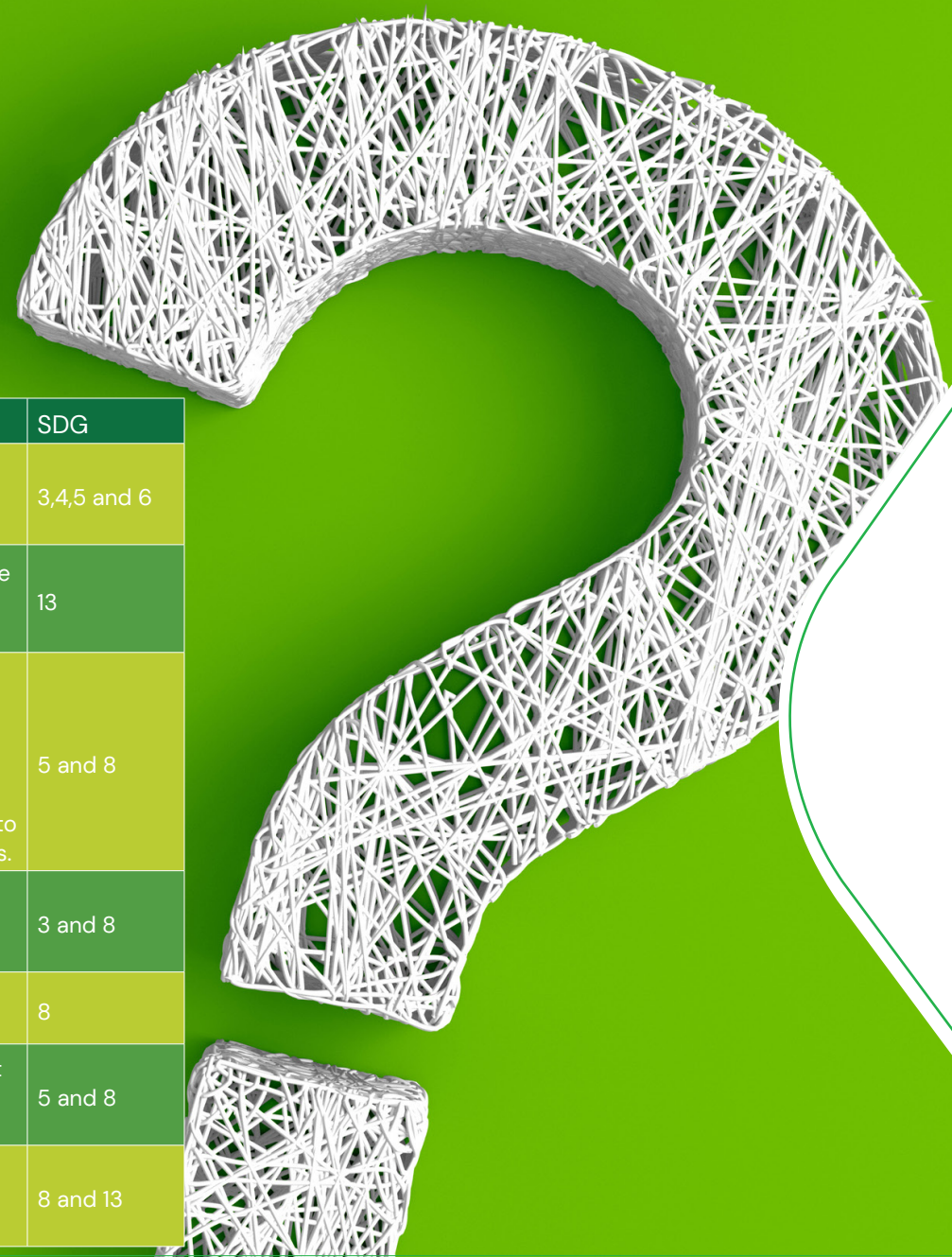
Sample of assessment questions used:

- How important are these topics to Kakuzi’s stakeholders?
- How important is it for them that Kakuzi conducts these activities or contributes to addressing these challenges?
- How frequently is the topic mentioned in our stakeholder consultations and surveys, featured in the media, or mentioned in relevant benchmark studies, publications, online platforms or elsewhere?

The questions above were answered through discussions with internal stakeholders and by using the following external studies and publications:

From the list of potentially relevant topics, eight were identified as important to Kakuzi and our stakeholders and located on the top right of the matrix (green box). All other potentially relevant topics evaluated were deprioritised or merged with the eight material topics.

Topic	Definition	SDG
Respecting and Promoting Human Rights	Upholding the Universal Declaration of Human Rights principles and United Nations Guiding Principles on Business and Human Rights.	3,4,5 and 6
Climate Action	Reduction of greenhouse gas emissions, removal of greenhouse gases from the atmosphere, and reduction of farmers’ vulnerability to the adverse effects of climate change.	13
Supply Chain Management	Issues related to labour, environmental practices, ethics, or corruption may result in regulatory fines and/or increased long-term operational costs for companies. Similarly, agricultural products companies may face reputational damage if their suppliers perform poorly on environmental or social issues. Companies can mitigate these risks and potentially increase consumer demand or capture new market opportunities by engaging with key suppliers to implement sustainable agricultural practices or source from certified suppliers.	5 and 8
Product Quality, Sustainability and Safety	Safe products for people and the environment at all value chain stages – including development, manufacturing, use and disposal.	3 and 8
Access and Affordability	Production of agricultural products that are affordable, accessible, and nutritious in line with the current economic situation.	8
Business Model Resilience	Technologies and solutions researched, developed and brought to market that address growers’ need to enhance productivity and quality and address the challenges posed by climate change.	5 and 8
Management of the Legal and Regulatory Framework	Good corporate governance practices and compliance with laws, regulations and Company standards.	8 and 13



Step 3:

Ranking of topics based on relevance to sustainable development

The eight topics identified in Step 2 were assessed using the following criterion:

Relevance to sustainable development:

Level of significant impact on global sustainable growth determined using The Global Risks Report 2021^[2]

Step 4:

Classification of Topics as Material and Monitored

Finally, the eight topics that were identified as important to Kakuzi and our stakeholders and relevant to sustainable development were classified as:

- **Material topics:** Material topics are those classified as “high” in all three categories (column on the far right in diagram 2). For these topics, we have set goals in our Good Growth Plan, and we actively measure and evaluate our performance. These are also our material topics for GRI reporting.
- **Monitored topics:** Monitored topics are the remaining four that are important for us to be a responsible business. We regularly evaluate our performance in these topics to maintain the trust and confidence of our stakeholders. We annually report on our actions and progress in our ESG Report.

