

Corporate governance and integrity

At Kakuzi, corporate governance and integrity form the foundation of our business operations, striving to uphold the highest standards of transparency, accountability, and ethical leadership. Our governance framework is designed to promote sustainable growth while safeguarding the interests of all stakeholders, including shareholders, employees, customers, and the communities in which we operate. By integrating Environmental, Social, and Governance (ESG) principles into our corporate strategy, we remain committed to responsible business practices, regulatory compliance, and long-term value creation.

We continuously enhance our governance structures to align with global best practices, so that decision-making processes are guided by ethical principles, robust risk management frameworks, and a strong culture of accountability. Through our Board of Directors and specialized committees, we drive governance excellence, with sustainability and integrity remaining at the core of our operations.

The Board and Its Role

Kakuzi's Board of Directors plays a critical role in overseeing corporate governance and promoting sustainable business practices. Its primary responsibilities include setting the company's strategic direction, fostering long-term growth, and maintaining compliance with corporate ethics and regulatory frameworks.

To integrate ESG considerations into decision-making, the Board establishes sustainability policies, monitors progress through key performance indicators (KPIs), and engages with stakeholders to enhance accountability. Additionally, the Board upholds transparency and ethical leadership by implementing governance best practices, such as independent audits, regular performance evaluations, and adherence to global sustainability standards.



Board committees

Kakuzi operates through specialised Board committees that drive governance effectiveness:

Audit & Risk Committee

This committee is critical in financial oversight, transparency, regulatory compliance, and proactive risk management. Key functions include:

- Overseeing internal audits to assess financial integrity and operational controls.
- Overseeing compliance with **International Financial Reporting Standards (IFRS)** and local regulatory requirements.
- Monitoring enterprise risk management frameworks to identify, assess, and mitigate financial, operational, and reputational risks.
- Reviewing fraud prevention policies, verifying the company's whistle-blowing mechanisms are effective and impartial.

Nomination & Remuneration Committee

This committee is responsible for Board effectiveness by overseeing leadership succession planning and fostering equitable hiring practices. Key responsibilities include:

- Evaluating the skills, experience, and diversity of Board members to maintain effective governance.
- Implementing fair and transparent recruitment

policies to foster a diverse and inclusive workplace.

- Advising on leadership development initiatives that enhance governance capacity within the organisation.

Independent Human Rights Advisory Committee

This committee is dedicated to upholding human rights and ethical business practices in line with international standards. Key areas of focus include:

- Providing strategic guidance on ethical and social responsibility matters.
- Overseeing the implementation of Kakuzi's Human Rights Policy and alignment with frameworks such as the UN Guiding Principles on Business and Human Rights.
- Monitoring grievance mechanisms, including SIKIKA reports are submitted to the IHRA.
- Engaging with communities, regulators, and human rights organisations to strengthen Kakuzi's corporate social responsibility initiatives.

Legal Risk Committee

The Board regularly reviews committee recommendations and follows up on implementation through structured reporting mechanisms, helping to promote accountability across the organisation. The committees provide quarterly reports to the Board to support effective oversight.



The Legal Risk Committee supports the Board by providing oversight and guidance on legal and regulatory risks affecting the Group. Its key functions include:

- Reviewing the nature and status of any legal claims or proceedings in consultation with Management and reporting to the Board accordingly.
- Evaluating material breaches of internal policies that may expose the Group to legal risk and advising on the adequacy of remedial measures.
- Advising the Board on future legal risk mitigation strategies.
- Reviewing the Group's legal audit, including findings, instances of non-compliance, and management's proposed action plans.

Key Deliberations in FY2024

During the reporting year, the Legal Risk Committee undertook the following:

- Oversight of the Group's dispute resolution mechanisms, including updates on legal proceedings and associated claims.
- Review and analysis of the Legal Risk Register and all active legal cases to assess exposure and support timely resolution.
- Evaluation of the **Legal Compliance Audit**

Report prepared by independent legal compliance auditors, including discussions on gaps, regulatory requirements, and corrective action plans.

Board Diversity

Kakuzi prioritises Board diversity and promoted balanced representation across gender, skills, and experience. The Company maintains an inclusive appointment process based on merit, governance best practices, and strategic business needs. As of 2024, the Board comprises executive, non-executive, and independent directors, focusing on expanding women's participation and leadership at all levels of the organisation.

Organisational Structure

The governance framework supports a structured leadership and accountability. Below is an illustration of Kakuzi's governance structure.

Maintaining strong governance structures that integrate ESG principles reinforces commitment to responsible corporate stewardship for long-term value creation for all stakeholders.

Policies & Integrity Practices of The Company

Kakuzi upholds strong integrity policies that guide ethical business operations, including anti-bribery measures, whistle blowing protections, and



governance compliance frameworks. The Company's governance structure aligns with local and international regulations, ensuring financial and operational integrity. Key integrity mechanisms include:

Mechanism	Purpose
Code of Conduct and Ethics	Serves as the foundation of ethical business practices, setting clear expectations for employees, contractors, and stakeholders. The Code emphasises integrity, transparency, and accountability in all business dealings.
Procurement Policy	Establishes rigorous standards for supplier selection, contract awarding, and sourcing processes to warrant fairness, transparency, and value for money while promoting ethical procurement practices.
Insider Trading Policy	Implements strict guidelines to prevent the misuse of confidential, non-public information related to securities trading, guaranteeing compliance with financial regulations and market integrity.
Related Party Transactions Policy	Safeguards against conflicts of interest by ensuring that all transactions between related parties are transparently reviewed, properly approved, and fully disclosed to stakeholders.
Whistleblowing Policy	Encourages a culture of accountability by providing employees and stakeholders with a confidential and secure channel to report unethical behaviour, misconduct, or policy violations without fear of retaliation.
Data Protection & Privacy Policy	Personal and corporate data are handled with the utmost care, aligning with national and international data protection laws to safeguard stakeholder privacy and confidentiality.
Human Rights Policy	Outlines Kakuzi's commitment to upholding fundamental human rights across its operations, adhering to fair labour practices, non-discrimination, and access to grievance mechanisms.

Compliance and Transparency

Kakuzi upholds transparency and regulatory compliance through the following measures:

- Dedicated Governance Committees**
 The Board committees (Audit & Risk, Legal Risk, Nomination & Remuneration, and Independent Human Rights Advisory) provide independent oversight, helping to foster accountability in decision making.
- Stakeholder Engagement & Grievance Mechanisms**
 The SIKIKA platform is a transparent grievance mechanism, allowing employees and community members to voice concerns and seek redress.
- International Certifications & Audits**
 Kakuzi adheres to globally recognised certifications, including FSSC 22000, Rainforest Alliance, and GLOBALG.A.P., conducting regular compliance audits to meet stringent international standards.
- Ethical Business Training & Awareness**
 Continuous training programmes are provided

to employees and management to reinforce ethical decision-making, anti-corruption measures, and best governance practices.

Fraud Prevention and Whistleblowing

Kakuzi has instituted rigorous fraud prevention measures, including independent audits and whistleblowing channels. The Whistleblowing Policy provides a confidential platform for reporting unethical behaviour, financial misconduct, or policy violations, including independent audits and whistleblowing channels. The Whistleblowing Policy provides a confidential platform for reporting unethical behaviour, financial misconduct, or policy violations. The policy protects whistleblowers from retaliation, and all reported cases undergo thorough, impartial investigations.