

## **KENYA BIXA LTD COMMUNICATION ON PROGRESS**

**By Laban Kiptoo Business Manager Food Colors: Period covered: 4<sup>th</sup> Feb 2017 to Feb 2<sup>nd</sup> 2018**

It is my pleasure to reassert herewith the renewed commitment of Kenya Bixa Ltd, as members of the UN Global Compact, to support the Ten Principles of the UN Global Compact pertaining to Human Rights, Labour Law, Environmental Protection and Anti Corruption initiatives. We also wish to express our clear determination to advance these principles in our sphere of influence, and our commitment to mainstream them into our corporate strategy, business culture and operational practices.

We are furthermore committed to report openly and publicly on this topic, and to inform our employees, business partners and customers about our performance.

In this perspective of accountability and transparency, we report publicly on the results of our initiatives in favour of a sound enforcement of the Ten Principles of the UN Global Compact via our Communication on Progress published every year. Please find attached our 2017 Communication on Progress.

David Kisa

General Manager

### **ABOUT KENYA BIXA LTD**

- Kenya Bixa is a member of the Sovereign Group of companies (SGL)
- It is an Agro based company situated at Tiwi,Ukunda, Kwale County in the South Coast of Kenya.
- The Main business of the company is to promote the growth of Annatto (Bixa),purchase, store and process Annatto seeds into Annatto natural food colors (Norbixin and bixin) and its by products and marketing the same.
- The company has built a good reputation as a processor and exporter of Annatto food colors and its by products of very high quality that meets international standards.
- The company commenced operations in 1979 and was initially designed to process 250 Tons per year of Bixa seeds but has since been upgraded to a processing capacity of 3000 Tons of raw materials per year
- The company directly employs over 150 personnel and many more indirectly through contract farming, Annatto seed procurement, transport and logistics.
- Kenya Bixa Ltd offers opportunity for field attachment and internship to students from Universities and Tertiary institutions.
- The company actively engages the community in CSR activities including water projects

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### **HUMANRIGHTS**

**UN Global Compact principles covered:**

**Principle 1: Business should support and respect the protection of internationally proclaimed human rights**

**Principle 2: Business should ensure that they are not complicit in human rights abuses**

#### **Our Commitment**

Kenya Bixa as a company is committed to family-friendly policies that provide employees with a safe and conducive working environment in line with the international human rights as well as adequate resources to perform optimally in their roles. These policies are aligned to the employment act to ensure full compliance with the law.

#### **A brief description of our Processes or System**

- The company has an able HR team which ensures that the rights of its employees and stakeholders are adhered to and none is violated. These policies are made clear to the employees through the Human resource Manual.
- We have 26 annual leave days per year to all employees to enable them to have ample rest as required and are approved by respective line manager, 7 days compassionate leave for employees who are bereaved in their immediate family and those who are planning their weddings.
- Maternity/paternity leave: We also offer female employees (3) three months maternity leave with full pay in addition to their annual leave entitlement while male employees are entitled to two (2) weeks Paternity leave.

The company has an able HR team which ensures that the rights of its employees and stakeholders are adhered to and none is violated. These policies are made clear to the employees through the HR Manual.

#### **Activities we implemented in the last year**

- Training on first aid and fire safety to selected employees who were chosen to be fire marshals and First aiders on their respective floors as part of our Safety Policy
- Installation of a new CCTV security system

#### **Measurements and Outcomes**

Occupational Safety and Health Performance: Number of fatalities, Lost Time Injuries (LTI), Fatal Injury Frequency Rate (FIFR) and Lost Time Injury Frequency Rate (LTIFR) have not been reported in the last year

- Tracking of leave accrual per staff member by HR and ensuring approved annual leave plans are in place so that employees commit to going on leave

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### **LABOUR RIGHTS**

**UN Global Compact principles covered:**

**Principle 3: Business should uphold the freedom of association and the effective recognition of the Right to collective bargaining**

**Principle 4: Business should support the elimination of all forms of forced and compulsory labour**

**Principle 5: Business should support the effective abolition of child labour**

**Principle 6: Business should support the elimination of discrimination in respect of employment and Occupation**

### **Our Commitment**

The company is committed to employee policies that are in adherence to the labour laws of Kenya, International Labour Organization (ILO) Conventions and other International Standards, eliminating all forms of labour malpractices and also enforcing a culture of Kenya bixa of being an equal opportunity employer in support to a zero tolerance attitude in respect to employment and occupation.

Kenya bixa as a company states clearly that no staff shall be discriminated against due to sex, race, color, political opinion, HIV status and beliefs.

The company states clearly that each role will have a job description that outlines the scope and mandate of the role holder.

### **A brief description of our Processes or Systems**

- We advocate the standard working hours for Kenya bixa employees to be 40 hours a week and lunch break of 1 hour except those working on shift programs.
- We have a transparent disciplinary process that gives either party freedom to air their grievance before a final decision is taken be it a gross misconduct or a general misconduct.
- The recruitment process is structured and has a documented policy which strives to maintain diversity through gender, skills, race, values, attributes, and characteristics while offering equal opportunity to all potential candidates. We extend the same quality of selection to our vendors and partners.
- We don't recruit persons under the age of 18 years since it's a violation of children rights and we extend it to our vendors and partners and at the same time advocate for the abolition of child labour.

We have a learning and development policy where Kenya bixa recognizes that employees are its most valued asset and commit itself to the best of its ability to provide an opportunity for continuous learning and professional growth towards organizational effectiveness

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### **Activities implemented in the last year**

- Occupational Health and Safety Training for the Committee to spear head health Safety issues
- Medical Examination for occupational diseases
- Reward scheme implementation

### **Measurement of outcomes and value added for our company**

- Less demands from employees as they understand the recruitment process and their compensation plan
- Retention of staff

### **Activities planned for next year**

- Competency based interviews for line managers
- Enforcement of leave management to ensure work life balance

## **ENVIRONMENT**

### **UN Global Compact principles covered:**

**Principle 7: Business should support a precautionary approach to environmental challenges**

**Principle 8: Business should undertake initiatives to promote greater environmental responsibility**

**Principle 9: Business should encourage the development and diffusion of environmentally friendly Technologies**

### **Our Commitment**

As a company, we are committed in ensuring that we operate and take initiatives that will promote our company as environmentally responsible and a company that embraces environmentally friendly Technologies in its businesses

### **A brief description of our Processes or Systems**

Kenya Bixa Ltd business solutions aim to find innovative ways to fight climate change and raise awareness among the population.

There is in place selected Environmental and health Safety Champions who monitor and sensitize staff of Safety at work place

Accidents are Monitored every Month and analysis are shared with the departments

Activities implemented in the last year

NEMA compliance in all our facilities mainly carried out by Environmental consultants

- Compliance of statutory requirement

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### **Measurement of outcomes and value added for our company**

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We also have a biogas plant that produces 120M<sup>3</sup> of methane Gas per day which is utilized in steam production to replace Firewood and Diesel

There was Nil major accident in the year 2017 with only 2 minor injuries which is an improvement from year 2016

### **ANTI-CORRUPTION**

#### **UN Global Compact principles covered:**

**Principle 10: Business should work against corruption in all its forms, including extortion and bribery**

#### **Our Commitment**

##### **Policy and Practice**

Kenya Bixa Management is committed to ensuring a corruption free environment; this is embodied in Our Code of Conduct.

We also have a disciplinary Procedure and Consequence Management policy that helps outline correction and progressive process to address an employee's misconduct, Code of Conduct non-compliance or to Prevent non-recurrence of undesirable behavior.

Our Code of Conduct provide specific guidance on corruption related concerns such as fair competition, conflict of interest, acceptance and giving of gifts, improper payments, working with government and regulators and ethical advertising.

As per the Code of Conduct, employees are strictly forbidden to accept any bribe, improper payment or Inappropriate favour of any other kind. Besides cash payments, such inappropriate payments would include:

- Kickbacks or kickback schemes, especially in form of cash
- Unexplained rebates
- Payments for advertising or disguised allowances or expenses
- Personal favors such as club memberships, entertainment and preferential treatment