



COMMUNICATION OF PROGRESS 2018- 2019

KRYSTALLINE SALT LIMITED

Email: nbi@kaysalt.com

Website: www.kaysalt.com



Tel: 0202328294/296/298

P.O BOX 43114-00100

Nairobi, Kenya

TABLE OF CONTENTS

STATEMENT OF CONTINUED SUPPORT _____	3
INTRODUCTION _____	4
HUMAN RIGHTS _____	7
LABOUR _____	10
ENVIRONMENT _____	18
ANTI CORRUPTION _____	27
CORPORATE SOCIAL RESPONSIBILITY _____	30
SUSTAINABLE DEVELOPMENT GOALS (SDGS) _____	34
CHALLENGES FACED _____	55
CONCLUSION _____	56

STATEMENT OF CONTINUED SUPPORT

KRYSTALLINE SALT LTD.

Head Office Nairobi

P.O. Box 43114 - 00100, Nairobi - Kenya
 Tel: 020 - 232 8296 / 232 8294
 Cell: 0721 530 102 / 0733 394 731
 E-mail:nbi@kaysalt.com
 Website: www.kaysalt.com



Our Ref: **NBI/KSL/11SEP2019-5134**

11th September, 2019

H.E Antonio Guterres
Secretary General,
United Nations
New York, NY10017
USA

RE: STATEMENT OF CONTINUED SUPPORT

We are pleased to reaffirm our support, as Krystalline Salt Limited, to the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-corruption.

We continue to enforce our commitment to adhere to responsible business practices and acknowledge the importance of balancing the interests of all our stakeholders-our consumers, clients, employees and communities in which we work.

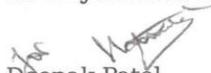
Since September 2013, as committed members of the United Nations Global Compact, we have continued to engrave the ten principles in our approach towards corporate responsibility and business practices, by mapping them onto and enhancing our policies.

We are committed in making the Global Compact principles part of our daily operations, strategy and culture.

We are reaffirming our continued adherence to the Global Compact and our voluntary commitment to implement it's ten principles and the SDGs as part of our daily operations and to address them as key issues in our dealings with partners.

We hereby make our submission of the 2018-2019 Communication of Progress highlighting the various actions we have taken as a company, in support of the Global Compact Principles

Yours sincerely,
 for **Krystalline Salt Limited**


 Deepak Patel
Chief Executive Officer

Directors: Mr. K. K. Patel, Mrs. D. K. Patel and Mr. D. K. Patel



Salt is Surreal, Adaptive, Legendary and Tasty

INTRODUCTION

Krystalline Salt Limited is one of the largest salt producers in East Africa. It was established on 20th February 1984, primarily as a salt manufacturer, with sales and distribution as support functions. It took almost a decade of hope, struggle, dedicated staff and mostly patience to harvest our 1st batch of salt.

In 2007, we achieved a milestone. We acquired Mombasa Salt Works (formerly called Fundisha salt, the oldest Salt works in Kenya, started by Germans in early 1920). This allowed us to have a very strong presence within East and Central Africa. Our desire to embrace and adapt to new state of the art technology has kept us well ahead.

In 2011, we invested in a new refinery that uses bio-thermic fluid heaters. This reduces our carbon footprints and at the same time has seen our production rate grow over the years.

Since 2012, we have planted over 1 million trees which placed us as the First Runners-up in the category of Best Industry Players in Tree Growing and Forest Conservation nation-wide in 2017.

In 2015, we invested in the largest solar hybrid system in Kenya with a capacity of 991kWp that produces 1.6GWh of clean electricity annually saving us approximately 22% of electricity costs..

Our Head Office is in Nairobi, Kenya. Our Salt works, refinery and packing operations are located 20 KM from Malindi town in sub towns namely Gongoni and Marereni, all on Malindi- Lamu road. Our Sales and Distribution operations are carried out from Changamwe, Mombasa. We have Distribution Depots in Nairobi and Malaba.

Our products are Kaysalt Premium, Kaysalt and Habari. Currently they are available in Kenya, Tanzania, Uganda, Rwanda, Burundi, DR Congo, North Malawi and South Sudan.

As a means of recognition and paying tribute to our exceptional products and services, all our three brands have been featured in Superbrands volume five of 2018 as some of the East Africa's strongest and most valuable brands. This has recognized our efforts in developing powerful and trusted household names from very humble beginnings. This is a great achievement to us since it is strengthening the position of our brands, adding to their prestige and placing them above other brands in the market.

Our greatest assets are our employees, we have a total of 695 employees, and additionally employ approx. 2000 seasonal workers.

We take pride in our commitment and to the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti- corruption. Our Corporate Social Responsibility (CSR) Projects are also in line with the Seventeen Sustainable Development Goals (SDGs).



Our brands

OUR PILLARS:

. We are guided by three pillars

- **Respect for all** – *Respect and work as a team with all stakeholders*
- **Continuous improvement** – *challenge ourselves daily to improve our operations*
- **Communication** – *effective and constant communication to strengthen the respect among all stakeholders and continuously improve at all levels.*

OUR PILLARS

- *Integrity, Passion & Ownership*
- *Evolution through continuous innovation*
- *Service excellence through efficiency and consistency*
- *Commitment to quality and safety*

COMMITMENT TO THE UN GLOBAL COMPACT ORGANIZATION

Krystalline Salt Limited has been an active subscriber to the UNGC since 2016. As a company we have witnessed tremendous impact and growth within our operations and an improvement of our company culture and processes owing to the commitment to the ten principles of UNGC.

The ten principles which are fostered under the four respective themes of human rights, labour, environment and anti-corruption, has enabled us to improve on our company's value system. Our commitment to the ten UNGC principles provides a road map for a long term success of the company.



WE SUPPORT



HUMAN RIGHTS

We recognize and are committed to respect the universally accepted human rights throughout our operations, supply chains and business relationships. As a corporate citizen, we are convinced that respect for human rights is key in achieving peaceful and inclusive societies.

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

Principle 2: Business should make sure that they are not complicit in human rights abuse.

As stated earlier, one of our key values, as rooted in our Kay-way Culture is fostering Respect for All. We respect and work as a team with all our stakeholders which include our valued employees, local community, government, consumers, customers and suppliers.

We comply with the internationally proclaimed human rights as our minimum standards.

In realization of the UNGC principles on human rights, we have /continue to enact the following:

a. For our employees

- Our employees are our greatest assets. It's through their contribution and hard-work, we are able to remain competitive and like any asset, employees need to be invested in. We strive to attract and retain the best by providing them with attractive packages, trainings, and recognition through promotions. We ensure appropriate trainings to make them feel as an integral part, promoting

company's mission, We are currently negotiating a pension scheme which if implemented will ensure that our employees are able to sustain themselves after retirement.

- We recognize the right of every employee as laid out in the Constitution of Kenya, the Labour Laws and International Labor Organization. We protect and respect these rights in the following ways:
- We have recently formed a Workers Council, that is aimed to providing employees with a channel of communication on employees perspective for a range of organizational issues eg. organization policies, products and customers. The council will also be providing information on all matters affecting the employees in their work. It will provide a communication bridge between management and the employees.

b. For the Community

- We have constituted a group of community members who collectively form a CSR committee (Corporate Social Responsibility). The mandate of the committee is to act as a bridge between the company and the community in the promotion of peaceful coexistence. We continue to support the training of these CSR Committee and the community at large on their constitutional rights and legal processes on different activities such as land acquisition and arbitration processes.
- We continue to conduct regular meetings with the local communities through their representatives, the CSR Committee. These forums have been of great benefit to both the community and us since we are able to find solutions to emerging concerns, get feedback on our operations and activities as well as create a platform for consultation and involvement of community in our activities.
- We have engaged human rights organizations within our community in an effort to foster peace and ensure the respect of rights for all. These engagements are part of a due diligence process where we host our stakeholders in a consultative forum to dialogue on our processes and activities.
- In 2018, the Kenya National Human Rights Commission released a public inquiry audit report, based on the 2006 KNCHR public inquiry on Salt Harvesting within our area. The report was a review of the milestones that have been achieved after the 2006 public inquiry of human rights violations. The report gave recommendations on land ownership, clean healthy environment and right to water, accountability for human rights violations and fair employment practices. As a company we have effected the following:

- We have engaged all affected parties in a due diligence process in the identification and survey of our boundaries. This process involves engagement of respective authorities, the National Land Commission and the community for the purpose of having a peaceful process and to ensure that the rights of the community are not infringed upon.
 - We have partnered with a local group within our community in the provision of water, where we catered for the cost of drilling a borehole within the community. The borehole now supplies water to more than thirty households in the area. The borehole also serves as a source of income since we purchase water from this local group for our consumption.
 - We continue to grow trees within our land parcels in the promotion of a green environment and realization of a clean and healthy environment as envisaged in the Kenyan Constitution. This is explained further under the UNGC theme of environment.
 - Our recruitment process involves a free, fair and inclusive program where no form of discrimination, segregation or victimization is neither allowed nor encouraged.
-
- We continue to practice due diligence process by informing local community prior to establishing or commissioning of any project and integrating views or concerns raised prior to implementation. This is achieved through the Environmental Impact Assessment and Environmental Audit reports which engages respective stakeholders.



As Krystalline Salt Ltd, we uphold and comply to globally and nationally recognized labour laws as our minimum standards. As per the United Nations Principles below, we have developed and implemented a Code of Conduct and Policies to enable us eliminate forced and compulsory labour, child labour, discrimination and promote freedom of association.

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

Principle 4: The elimination of all forms of forced and compulsory labour

Principle 5: The effective abolition of child labour; and

Principle 6: The elimination of discrimination in respect of employment and occupation.

Our compliance to the above principles have not only improved our business relationship with our stakeholders, but they have also created a conducive work environment and improved our working relationship with our employees.

In realization of the UNGC principles on labour, we have /continue to enact the following:

- We continue to uphold a free, fair and inclusive recruitment program where we abide to a strict non-discrimination, non-victimization and non-segregation policy. This is effected through our Code of Conduct policy.
- Every year, our employees receive an increment percentage in their salaries. This year's average percentage was 8%.

- This year, a total number of 26 of our employees were promoted within their departments in recognition of their efforts. The elevated status also served as a way of empowering our employees in taking up responsibilities within the workplace.
- We continue to engage our employees in a number of training to adequately equip them with skills and knowledge that shall be useful not only in their place of work but at home too. The trainings were have since conducted are:
 - This year we engaged Emergency Medical Trainers (EMT) in training of our employees on Stress Management, Occupational Diseases, Lifestyle and Non-communicable diseases. The selection



The training was helpful, I am now aware on how best to handle stress at the workplace“

-Anonymous Employee



of the topics was based on a recent study which showed that knowledge on the above topics was limited and majority of the people are not aware or concerned with the repercussions or extent of harm as a result thereof. We received valuable feedback from the employees with majority of the employees vowing to emulate on the teachings given.

- This year we engaged our employees in a financial wellness training. The training was meant to equip our employees with proper knowledge on saving and investment tactics.

- We annually actively engage our employees in Kaizen workshops and trainings. These workshops aim to promote continuous improvement within our work processes. Our employees are able to gain a sense of responsibility in identifying problems, proposing and implementing viable and workable solutions that improves our system. For instance, one of our Kaizen teams is working towards reducing waste in the production process. This is in line with the Sustainable Development Goal number 12 on Responsible Consumption and Production.



Ongoing Kaizen training for our employees

- This year we also engaged YMCA to undertake a training for our employees on Gender Based Violence and Sexual Harassment. Both men and women were educated on the various approaches they can take when faced with issues of sexual harassment or domestic violence.



Training of employees by YMCA

- Last year, our team took part in a training that was being sponsored by the Swedish Workplace HIV and Aids Programme (SWAHP). The training targeted teenagers between the ages of 11 years to 19 years for sensitization and reproductive health among teenagers. Some of the teenagers who took part in the training were our employees' kids.



A section of the teens listening in on the training

- We have converted all our casuals to permanent staff. This was to enable them have a sense of job security as well as a decent work and continuous personal growth.
- We continue to encourage more women to join our workforce. Currently we have more than 40% women representation in the refinery with an additional 20% holding supervisory and managerial positions within departments.
- We adhere to the effective abolition of child labour by ensuring that we comply with minimum age provisions of the labour laws. We only hire candidates with national Identity cards.
- In appreciation of our employees' efforts, we annually gift them with grocery packages during the festive season. In 2018, our employees were each able to celebrate the festive season with a bundle of groceries and household materials ranging from rice, sugar, flour, tea leaves and many more.
- Last year, our employees were able to meet their set targets and as a way of commending their efforts, we all celebrated by enjoying a midday meal that was prepared by our very own staff. Through this, we aim to promote togetherness and emphasize on the importance of teamwork.



Employees que for the sumptuous meal

- We continue to provide free gated housing, electricity, security and clean water to all our employees. The employees are further encouraged to maintain kitchen gardens within the gated housing units provided by the company in order to enable them achieve food security at the household level.
- We continue to maintain our own in- house clinic which was started in 2012 at our factory in Gongoni where our employees get free services. We recently added more to the services provided at the clinic by including malaria and chronic illnesses tests. We also provide well equipped first-aid stations and trained first-aiders at every department to attend to work-related injuries,
- We have been providing Lunch to all our employees, and this year we have managed to introduce “ugali”, and over 80% of our employees enjoy it at a cost of Kshs. 10 per plate including vegetables. The maize and the greens are grown in our farm in Gongoni.
- We have an Emergency Medical Kitty for employees who suffer from chronic illnesses and cannot afford to seek specialized treatment, the company provides support by getting a suitable Doctor and catering for all the medical expenses. This year, three employees have benefited from the kitty and we continue to support those who have retired due to ill health by providing them with food and medical assistance.
- Last year we developed and conducted in-house trainings on Health and Wellness whose focus was to encourage our employees to live healthy lives through exercises, eating health diets, on drugs and other

substances and their long term effects to our bodies and our income. The impact was positive and one of our employees who would disappear for several days after pay day, has since stopped the unexplained absenteeism and now looks healthy.

Occupational Health and Safety

We acknowledge that safety is a vital component of the workplace. For this reason, we always aim to provide safe and conducive work places for our workforce. In realization of this, we have/continue to effect the following:

- We have put in place a health and safety policy which is a general commitment by the management and employees in ensuring that the safety programs and procedures are adhered to. This policy is reviewed annually.
- We continue to comply with the statutory training of our employees. We undertake first aid training annually, training of fire marshals after two years and training on Occupational Safety and Health after three years. This year 50 of our employees were trained on first aid and occupational safety and health.
- We have constituted a team of safety and health committee members who are employees drawn from each department. This committee is tasked with the responsibility of ensuring the implementation and adherence of safety systems on the ground.
- We continue to create awareness to our employees on safe working procedures through Tool Box talks, statutory trainings and audit processes which are conducted by external personnel.
- We subject our safety systems and programs through an annual audit of our Occupational Health and Safety program, Fire safety and risk assessments to monitor and evaluate their adequacy and efficacy.
- We conduct daily routine factory inspections to ensure that workers are complying to the set health and safety standards and investigate reported incidents while implementing corrective or preventive measures.
- We conduct review meetings with the Heads of Departments (HODs), Supervisors, Trainers and Health and Safety Committee monthly to disseminate health and safety information and findings of investigations, get feedback from employees and also find solutions to emerging issues.
- We conduct regular risk assessment of our premises to identify hazards and take appropriate measures to ensure safety of our employees,



Trained First Aiders and safety & health committee display their certificates

- We implement and review as appropriate our emergency planning and preparedness procedures to ensure prompt response in cases of emergencies,
- We continue to improve on our visual display at the refinery for further sensitization and re-enforcement of health, safety, environmental, hygiene and quality standards. We recently published a company newsletter to further communicate to our employees on the various projects being undertaken by the company.
- We provide and maintain welfare facilities for our employees.
- We are currently conducting an assessment of our hazard control mechanisms with the aim of prioritizing hazard elimination, engineering and administrative controls. This is meant to enable us use personal protective equipment only where the residual hazards cannot be controlled further by the other superior control mechanisms. This will then be followed by a survey on the appropriateness, suitability and comfort of the PPE that will be provided for protection against these residual hazards and risks.

b. Our Stakeholders

- In 2018, we were honored to host the Kenyan Parliamentary Committee on Labour and Social Welfare who visited our premises to familiarize themselves with our operations. The visit was made to gain a further understanding of the Occupational Safety and Health processes which have been effected.
- Together with other salt manufacturing companies, we participate in a Multi-stakeholders consultation forum held quarterly that brings us together with the local community, all the relevant government regulators and authorities, human rights organizations and community based organizations. These forums allows for monitoring and evaluation of progress and also sustenance of milestones already achieved.
- We take proactive approach in dealing with any allegations of violations of human rights raised by our stakeholders with the aim of coming up with corrective and preventive measures.

c. Future Generations

In support of growing our future generations, we have maintained an internship program which aims at giving student hands on experience in their areas of expertise.

- We have engaged almost ten education institutes where we absorb new graduates and attachés into our operations since 2014.

- We partnered with KAM which allows us to participate in the Technical and Vocational Education Training (TVET) Program for Graduate Industrial Trainees,
- We have absorbed and supported 5 students from various universities this year into various sections of our operations.
- We continue to provide learning opportunities to thousands of pupils and students who visit our salt works and refinery every year for educational tours at no fee.



ENVIRONMENT

As a company, we recognize our vital responsibility in protecting and improving the state of our environment. We are aware that our operations may have detrimental impacts to the environment. To prevent this, we subject our operations through thorough environmental impacts assessments and audits to highlight potential negative impacts and thereafter making deliberate efforts to take precautions. We uphold the precautionary approach in solving the environmental challenges we face.

Environmental laws, regulations and globally recognized codes of practice are our minimum standards even as we strive to comply to the below principles.

Principle 7: Business should support a precautionary approach to environment challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility, and

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

In realization of the UNGC principles on environment, we have /continue to enact the following:

- We continue to annually review our environmental policy to include responsibilities and provided an inclusive environmental management program to act as the guiding principle for our operations. The policy is currently being implemented within our departments to evaluate its adequacy

- We have developed a waste management plan that outlines all the wastes generated at various points in our operations. This plan provides a guideline on how the waste should be handled in a manner that does not compromise the quality of our environs.
- We continue to integrate the use of waste inventories within departments where waste is generated. This helps us in maintaining a record for the amount being produced and being able to account for the end point destination of our waste
- Adopting re-use, reclamation and recycling of waste whenever necessary as means of effective waste management and efficient resource management. For example we have implemented improved treatment systems to ensure brine produced during manufacturing is properly recycled back into the refinery or salt evaporation ponds to crystallize and not released into the natural environment
- Implementation of various techniques to ensure reduction of wastes generated from our operations to the minimum amount possible conducting regular Environmental Impact Assessments and Audits to determine and monitor the effects of our operations on the environment
- Conducting regular monitoring of all the environmental indicators, these include air, soil and water quality analyses among others
- Maintaining a transparent supply chain and accountability throughout our operations. This allows the management to ensure that only environmentally- friendly materials and equipment are used. This promotes reduction in green-house gas emissions.
- We have invested in rain water harvesting and storage facilities within our premises to curb water shortage. We have installed rain water harvesting systems in every building and housing to sustain our operations during dry seasons.

a. Environmental Compliance

Last year, we subjected our processes and operations through a control audit that was conducted by the National Environment Management Authority. The audit involved an intense and thorough review of our documentation to ascertain compliance to the relevant legislations governing the environment, health and safety and also a check to ensure that the recommendations made in our previous environmental audits have

been implemented. As a result we were awarded a compliance certificate from NEMA which marked us at 80%. We have since constituted this audit as part of our annual activities to ensure continuous improvement.



Control audit in progress



Photo with the NEMA team and the company representatives

b. Sustainable environment

Late last year, we took part in the United Nations Global Compact platform for Sustainable Ocean Business.

The workshop was a side event of the Sustainable Blue Economy Conference that was being held in Nairobi. The workshop was set to attract leading industries in shipping, aquaculture, fisheries, and energy production, with key equity funds, banks and insurance companies to create a road map for the 2020 UN Ocean conference. The mandate of the conference was to drive decision making processes and catalyse partnerships to advance the shared ocean priorities across all 17 Global Goals.



One of our representatives taking part in the workshop

The sessions engaged the participants in discussions on the important SDGs affecting businesses, the opportunities for ocean industries towards 2030 and the barriers affecting their implementation.

The outcome of the workshop was the proposal of 10 UN Global Compact Sustainable Ocean Principles which shall be presented in the 2020 UN Ocean Conference.

Our representatives were able to take part and share their ideas on how business can achieve sustainability.

We also took part in an SDG Business Conference that was organized by KAM in collaboration with the Danish Confederation of Industry (DI) in March this year. The conference was meant to draw various players from the private sector in an effort to achieve the 17 SDGs through innovative business solutions. The workshop helped us as a company to identify the SDGs that are common to our business and which we continuously make an impact on. The SDGs are:

1 NO POVERTY



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



c. Tree Planting

From the year 2013, we have been actively involved in a tree planting project within our farms in Gongoni and Marereni. Through the course of the years, we have managed to plant over a million trees. The trees are meant to serve as fuel for our bio thermal boilers. Since wood fuel has reduced carbon footprint, it is a source of clean, affordable, reliable and sustainable energy.

Among the trees planted include casuarina, bamboo, mango, neem and cashew nut. Casuarina constitutes the largest portion since it has high calorific value hence suitable as wood fuel. We plant the fruit trees to help attain food security within our locality.

YEAR	All Trees planted (this includes casuarina, bamboo, tamarind, neem and mangroves)			Total
	Company farm	Outgrower project	Buffer zone	
2013	22650	15000		37650
2014	355501	8000		363501
2015	457306	3000		460306
2016	93705			93705
2017	67750	6539	1100	74289
2018	128470	2000	3500	133970
2019	45000	2000		47000

We further annually engage the community around us in planting of trees. This year we planted a total of 700 casuarina seedlings at two schools neighbouring our premises: Marereni Primary High School and Marereni Secondary School. We aim at making such endeavours an annual act not only to improve our forest cover but to also inspire and instil the sense of conserving the environment to our future generations.



Tree planting taking place at Marereni Primary and Secondary schools

d. Energy

In 2016, we commissioned one of Kenya's largest solar hybrid systems. **The 991kWp system is a PV-Diesel hybrid project.** The system generates 1.6GWh of clean electricity annually, saving us around 22% of electricity costs. The solar component of the system allows for a fossil fuel reduction of around 24,000 litres of diesel each year and further displaces 1,268 tonnes of carbon dioxide.

The project was made possible through the government of Japan's Joint Crediting Mechanism (JCM) financing programme that facilitates low carbon technologies in developing countries.

The table below shows data on the amount of energy generated by the solar farm.

Month	Kwh Solar Pv
Jan-17	82,847
Feb-17	81,689
Mar-17	113,349
Apr-17	95,110
May-17	90,405
Jun-17	105,268
Jul-17	100,569
Aug-17	102,781
Sep-17	113,164
Oct-17	115,120
Nov-17	93,639
Dec-17	92,970
Jan-18	101,477
Feb-18	93,306
Mar-18	108,206
Apr-18	95,003
May-18	89,104
Jun-18	84,007
Jul-18	91,774
Aug-18	102,554
Sep-18	80,635
Oct-18	97,059
Nov-18	108,989
Dec-18	95,040
Jan-19	102,939
Feb-19	59,211
Mar-19	105,937
Apr-19	118,073
May-19	83,347
Jun-19	70,076
Jul-19	100,061

Through this project, we were recently awarded the Best New entrants in the Energy Management Awards hosted by the Kenya Association of Manufactures early this year. The awards serve as a mode of recognition for enterprises actively involved in fostering a culture of energy efficiency and conservation.



Our company representatives receiving the award; A photo of the trophy

e. Extended Producer Responsibility

As a manufacturing company, we strive each day to make our business sustainable with minimal impact to the environment. It is for this reason that through the Kenya Association of Manufacturers we actively participate in workshops and seminars relating to extended producer responsibility, to put a halt to the growing menace of waste.

We have initiated a take back mechanism in collaboration with our distributors to ensure that the packaging material that leaves our warehouse with the finished product is returned to the company for disposal or disposed appropriately through a recycler.

In relation to this, last year we attended an Extended Producer Responsibility/Take Back Scheme workshop that was hosted by DOW Chemical Company and Cyclos in collaboration with KAM. The workshop aimed to give manufactures and users of plastic material an insight on how best to manage plastic waste through the use of Producer Responsibility Organizations (PRO)

We have since established communication with KAM for further discussions on establishing an effective and efficient PRO to handle our plastic waste.

f. Climate change

Climate change is a concept that has been reiterated across global discussions. It is a threat that is imminent and is set to be catastrophic with the magnitude of its effects being felt across the world. As a company, we acknowledge our vital role in taking an active step to mitigate climate change. It is for this reason that we took part in an annual climate change walk organized by the Kilifi County's department of Forestry, Environment, Natural Resources and Solid Waste Management. The walk constituted of different groups from institutions, private sector and respective national and local authorities.

The aim of the walk was to create awareness on climate change and the various ways they can mitigate the effects of climate change.



Banner displaying details on the climate change walk; Our representative receiving the participation certificate from the Chief Officer of Environment

g. Biodiversity

We are proud and privileged to have a variety of water bird species inhabiting around our ponds. The large casuarina plantations and mangroves are the major biodiversity hotspots for both life under water and on land within the area.

In January 2019, Arocha Kenya conducted a bird count exercise within our premises. This was part of a larger study done by the National Museums of Kenya where they were carrying out water bird counting in Rift Valley, Nairobi, Central, Coast, Amboseli and Yala Swamp.

Our salt works in Gongoni was among the eight sites in coast where the bird watching exercise was carried out. A total of 1,643 individuals of 31 waterbird species were recorded which is an increase from last year's data of 24 species. The most abundant species was Greater Flamingo with 505 individuals, followed by little stint with 303 and the lesser flamingos being 102.



Arocha team undertaking the waterbird counting exercise



h. Collaboration for a green Environment

This year we hosted Better Globe Forestry team on a site visit to learn more about our award winning Casuarina plantation, bird life on our salt pans and how we manufacture salt. The visit was an opportunity for us to showcase to the environmental group on the various ways we conserve our environment and our continuous efforts in safeguarding our environment from any negative impacts. Part of the team constituted professors from the University of Ghent in Belgium.



Better Globe Forestry team and our company representatives after the visit



ANTI CORRUPTION

Krystalline Salt Ltd is committed to conducting business fairly, honestly and without improper influence. We are guided by our code of conduct and our core values. Integrity being our first and most important core value.

We understand that corruption undermines socio-economic growth and increases poverty and exclusion thus becoming a threat to the attainment of the Sustainable Development Goals, hence our support to the principle below.

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

To achieve the above principle, we have:

- Stopped engagement of casuals at our gate every morning since this presented a weak point for bribery. We have instead implemented a recruitment system that is based on skills, qualification, experience and competence
- Identified areas that we need to manage and monitor to curb corruption and bribery. For such areas we have implemented strict adherence to standard operating procedures (SOPs) and approval processes to prevent unauthorized practices and dealings. We continue to improve the SOPs whenever necessary
- Eliminated parallel systems of decision making. Key decision makers have been identified and each have their specific areas of expertise and therefore qualified to make decisions

- Developed compliance programs as well as have competent employees in key areas to improve governance and accountability. This has enabled us to achieve timely deliveries and prevented cases of non-compliance that would put the company in compromising engagement with law enforcers.

“Businesses and individuals pay an estimated \$1.5 trillion in bribes each year. This is about 2% of global GDP—and 10 times the value of overseas development assistance”

World Bank, 2016

- Resolved to initiate process that require approvals from third parties early enough to give us ample time to seek and obtain the approvals without having to compromise our values.
- Employed proper and clear reporting channels to enable our employees and clients to report cases of corruption or bribery. This allows for investigation and taking appropriate actions. We will continue to maintain the systems, monitor, take corrective and preventive actions based on the findings.
- Holding regular meetings with employees and clients to warn them against giving any bribe in order to be promoted or served. We have also displayed various signages within our premises to constantly remind employees and clients not to engage in any form of corruption and where to report such case.
- We strongly believe that if we win the loyalty of our employees and stakeholders then they will ensure that they and their colleagues will not engage in any corruption and bribery activities.
- We have also initiated and participated in the below programs:

Global Reporting Initiative (GRI) and United Nations Global Compact (UNGC) Workshop

In June 2017, we were privileged to be invited by GRI Africa and Global Compact Network Kenya with support from The Department for International Development (DFID) – UK, to a complimentary half- day workshop on Anti-Corruption and Sustainability Reporting. During the workshop, we discussed the role of transparency in tackling corruption and how GRI Standards and UNGC Principles can be used to support and communicate anti- corruption efforts.

Siemens Integrity Initiative

Krystalline Salt is also a member and a participant of the Advisory Committee for the Anti-Corruption Collective Action project, under the Siemens Integrity Initiative . Under the Siemens Integrity Initiative, the UN Global compact is working in collaboration with the Basel Institute on Governance to strengthen the capacity and knowledge of Anti-Corruption Collective Action in four Global Compact Local Networks: Brazil, Japan, Nigeria and Kenya. The project is to provide a framework for LNs and its business participants to advance meaningful collective action efforts that prevent corruption, increase transparency, and improve the local business environment.

CORPORATE SOCIAL RESPONSIBILITY

We have laid out structures and allocated resources to enable us meet our responsibility of giving back to the local community and the less privileged through our CSR and Corporate Philanthropy Programs.

Corporate Social Responsibility.

We revised the procedure for recommendation and approval of such projects when the CSR Committee was constituted. The Committee was mandated to hold public barazas with the community through the local administration offices to get proposals on projects that the community would wish us to undertake. The committee would then prioritize the proposed projects and prepare written proposals on how they would like us to be involved. We would thereafter execute the projects based on priority given in constant consultation with the community.

This has given the local communities a sense of ownership of the projects at the same time a chance to evaluate the relevance, importance and how they are benefiting from the projects.

We strive to achieve the Sustainable Development Goals (SDGs) with our CSR programs. We have done several projects for the community in the previous years. These are discussed elaborately in the next chapter. Here are the additional CSR Projects accomplished within this reporting year:

a. School Sponsorship

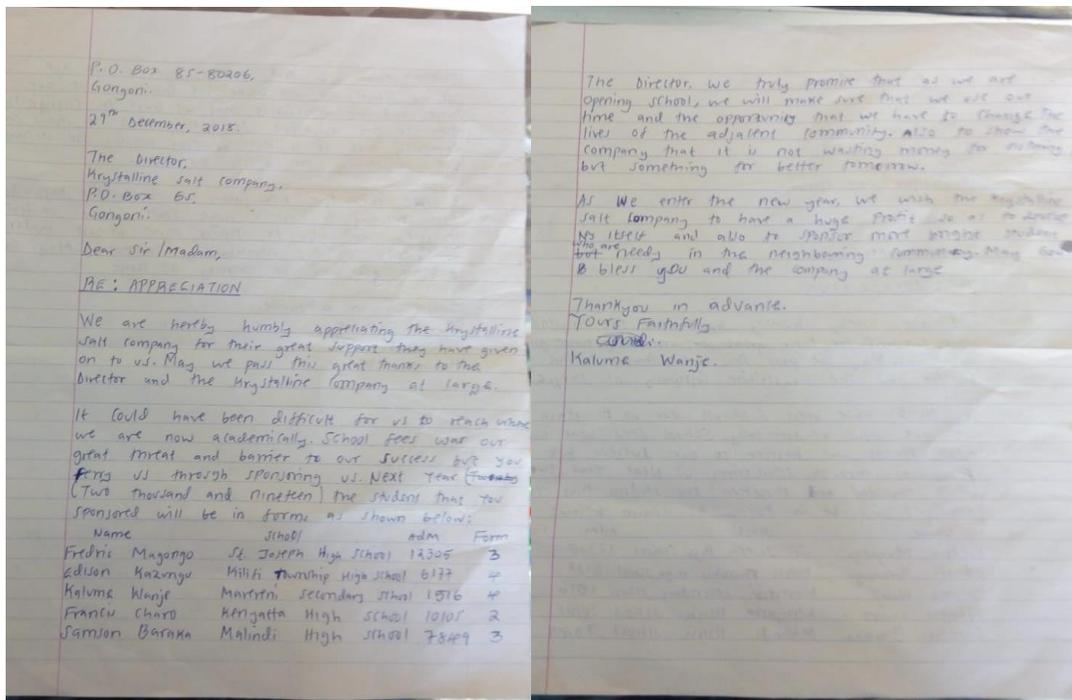
Since 2014, we have sponsored students from the local community into our bursary program. Bright and needy students are given the opportunity to undertake their secondary education through the bursary scheme. We sponsor more students every year.

Two more students were able to benefit from the program this year.



The sponsored students displaying their cheque, with community and company representatives

In December 2018, our directors received a letter of appreciation from the sponsored kids who expressed their gratitude to the company for granting them the opportunity to further their education through sponsoring their secondary education.



Letter from the students to our directors expressing gratitude

b. School visits

Annually, over 3000 students from schools visit our salt works and refinery from Universities, Secondary and Primary Schools for educational experiences and learning opportunities.



Students visit our factory on a learning expedition

c. Laptop Gifts

Since last year, we gifted a total of 10 laptops to university students. This is in support of ensuring students are able to access quality education through provision of materials that will help contribute to their academic work. As a company, we recognize how vital laptops are to the students in aiding them as they go about their coursework and research work. The selected students are presently ongoing with their university education.



Giftng of laptops to the students' parents at our Nairobi and Mombasa offices

d. Christmas with the Homeless Children

Since 2013 to date we continue, to partner with Talanta Kenya in celebrating the Christmas festivities. Every year, Talanta Kenya organizes a Christmas event for almost 3000 homeless children. During the event, children come together in an open and conducive environment to enjoy nature, play, and share a meal. This

occasion has become an annual event for us and we provide funds for organizing and securing the large venue. We also provide free salt to all houses whose families attended the event. Our employees play a vital role in ensuring the success of such days through providing cakes.



Christmas celebrations in December 2019

e. Western Football Tournament

Annually, we sponsor football tournaments within Vihiga Town. The tournaments are held between the local football teams. We sponsor the tournaments by providing cash prizes and trophies to the winning teams in an effort to empower the talented youngsters. In 2018, the tournament was graced by the presence of the late legendary sportsman Mr. Joe Kadenge.



*The late Joe Kadenge gifting soccer balls to the winning team;
one of our representatives addressing the crowd*

SUSTAINABLE DEVELOPMENT GOALS (SDGS)

Krystalline Salt Ltd is committed to the realization of the 17 Sustainable Development Goals. It is for this reason that we continue to explore our opportunities for shared value to find ways of contributing to the economic development while improving the quality of life of our workforce and the local community.

We believe that people should make efforts at personal level and household level to enable us have common goals at the community level. Similarly, our employees are being trained and encouraged to make efforts at their various departments to enable the company, as a corporate citizen to achieve the set goals.

The table below presents the opportunities we have explored in the previous years as well as those explored within this reporting year.

As part of our core value, we continue to sustain the already achieved opportunities over the period for as long as they remain effective and in line with the SDGs.

As members of UNGC, we have enjoyed the privilege of attending different workshops to learn how best as an organization we can get to realize the 17 sustainable goals as a business.



#SDG	SDG DESCRIPTION	OPPORTUNITY FOR SHARED VALUE	
		PREVIOUS YEARS	2018-2019
1	No Poverty: End poverty in all its forms everywhere	<p>We aim at reducing cost of production through our kaizen projects. This enables us to offer our products at an economical price point.</p> <p>For our marketing requirements we engaged a community of ladies to make 'Mwikos' for us, which we used in our roadshows.</p> <p>Under our out-growers program, we provide the farmers with seeds, seedlings, labour and expertise they need to maintain the tree lots. The farmers are then to sell the trees to us when they mature. This is a source of sustainable livelihood for the local farmers and thus helped in eliminating poverty among them.</p> <p>We have signed Memorandum of Understanding with various suppliers for all the services and materials we need regularly. This is a form of predictable procurement contracts for our suppliers.</p> <p>The MoU with suppliers and the permanent jobs created are sustainable source of income thus elevating poverty levels.</p>	<p>We currently have over 20 local farmers who are supplying firewood to our refinery from their farms. This means availability and circulation of money within the community, hence reduction in poverty levels.</p> <p>Several individual farmers and women in sacco have benefited this year from the sale of seedlings to us during the rainy season.</p> <p>This has given the farmers the opportunity to constantly participate in our supply chain since they are guaranteed of a ready market.</p> <p>We continue to provide employment opportunities to people from different walks of life. We have presently employed over 600 employees.</p> <p>40% of our workforce is made up of women.</p> <p>We annually review our employees remuneration packages.</p>



#SDG	SDG DESCRIPTION	OPPORTUNITY FOR SHARED VALUE	
		PREVIOUS YEARS	2018-2019
2	Zero Hunger: End hunger, achieve food security and improved nutrition and promote sustainability agriculture	<ul style="list-style-type: none"> We have a technical team that assists local farmers under the out-growers program in understanding how to grow and take care of their cash crops in order to get more produce. The farmers are encouraged to plant other food crops like maize within the trees in order to attain some level of food security, end hunger and improve nutrition whilst waiting for the trees to mature. They are also given fruit trees under the same program for an alternative cash crop. We encourage our staff and the local community to have a kitchen garden so as to have food security. Our salt is also iodized to prevent goitre and improve brain development in children. We donated food to the victims of floods in Kilifi county when River Sabaki broke its banks 	<ul style="list-style-type: none"> During the planting of the trees, farmers also had the opportunity to intercrop maize and green grams for use at the household level. In 2018, our staff received a basket of balanced food stuff for New Year celebrations. We continue to iodize our salt to prevent goitre and improve brain development in children. We have improved our farming practices in order to increase farm productivity and enable us provide lunch to all our employees. The lunch is prepared mainly from our farm produce.



#SDG	SDG DESCRIPTION	OPPORTUNITY FOR SHARED VALUE	
		PREVIOUS YEARS	2018-2019
3	Good health and wellbeing: Ensure healthy lives and promote well-being for all,	<ul style="list-style-type: none"> • Since 2012, we have maintained an in-house dispensary at the refinery in Gongoni. This provides all employees access to free primary health care. It also encourages health-promoting behavior in order to strengthen our workforce. • In 2015, all staff went through health related training, example HIV/AIDS awareness. • In 2016, we trained the employees on non-communicable diseases. We also constituted a steering committee to conduct peer education among worker on health issues. • We have made efforts to bring specialist medical clinics (example Eye clinic, jiggers clinic etc) annually, for the community and staff . • We built the first maternity ward in the sub-county at Marereni Dispensary in 1988. • In 2005, we added to the ward a second block currently used as a laboratory and for counselling. • We later constructed a third block for storage of drugs and administration in 2015. • Since 2013 , together with Nairobi Hindu temple we have donated medical kits to the clinic for the value of Ksh 500,000 annually. 	

3 GOOD HEALTH AND WELL-BEING



#SDG	SDG DESCRIPTION	OPPORTUNITY FOR SHARED VALUE	
		PREVIOUS YEARS	2018-2019
3	Good health and wellbeing: Ensure healthy lives and promote well-being for all,	<ul style="list-style-type: none"> In December 2014, we partnered with Girl Child Network, Ministry of Health and County Government of Nyeri and conducted a medical camp where 762 people were screened and treated for various illnesses. 572 persons with disability also attended the medical camp. We have been internationally recognized for iodization of salt in Kenya. This has helped in prevention of goitre and promoted brain development among children. We were awarded with a Certificate of Recognition by the Ministry of Health in collaboration with the Kenya Bureau of Standards in recognition of our valued contribution to food fortification. With partnership with the Lions Club of Mombasa, we have held eye camps where members of the public get the opportunity to benefit from the service. We participated and supported the Launch of the Fistula Repair Camp in 2017, at Gongoni, in partnership with Kilifi County and Ministry of health. The affected women got the opportunity to get their condition corrected at no cost. 	<ul style="list-style-type: none"> In December 2018, our employees received a grocery package from the company to kick start their December celebrations. We continue to provide healthy and nutritious midday meals to our employees at an affordable price. We recently introduced 'Ugali' and greens grown from our very own garden. We have introduced programs that will allow our employees to engage in physical activities. So far we have started badminton games that employees engage in after work and over weekends. We have provided our employees training on lifestyle diseases and stress management in an effort to encourage them to adopt healthy habits.

3 GOOD HEALTH AND WELL-BEING



#SDG	SDG DESCRIPTION	OPPORTUNITY FOR SHARED VALUE	
		PREVIOUS YEARS	2018-2019
3	<p>Good health and wellbeing: Ensure healthy lives and promote well-being for all,</p> 	<ul style="list-style-type: none"> • In November 2016, we liaised with Public Health Office and obtained vaccines against elephantiasis for our employees and their families. We had a 75% turn out for the vaccination. • We do regular fumigation of our premises to eliminate mosquitoes which are media for transmission of elephantiasis and malaria diseases which are common in our area. • Initiated regular trainings and health talks steered by Avenue Health Care to our employees on prevention and management of Lifestyle diseases, Personal care and hygiene. • Trained the steering committee who act as peer educators among employees to create awareness on non-communicable diseases and HIV/AIDS on Peer Education. 	

#SDG	SDG DESCRIPTION	OPPORTUNITY FOR SHARED VALUE	
		PREVIOUS YEARS	2018-2019
4	Quality education: Ensure inclusive and equitable quality education and lifelong learning	<ul style="list-style-type: none"> In 2003, we constructed administration block and 15 classrooms at Marereni Primary school to accommodate 1000 students. We also provided desks for all classrooms as well as a water tank within the premises. In 2015, we donated furniture and books to the neighbouring primary schools in Gongoni and Marereni to improve learning and infrastructure at the schools. 1000s of students from schools have continually visited our factory over the years to learn about salt manufacturing processes. We see this initiative as an opportunity to give the students empowerment and further insight in their studies. In 2017, we supported the Ministry of Education, Department of Adult Education and Continued Learning in organizing for the World Literacy Day Event. The event was meant to promote learning and education among the community members. 	<ul style="list-style-type: none"> In 2018, we constructed a multi-purpose hall at Marereni Secondary School that is used as a dining hall at sometimes as an examination hall. In the same year, we also completed the construction of Two (2) classrooms at Mapimo Boys Secondary School to accommodate more students. Two students were absorbed into our scholarship program this year. In 2018, we donated mattresses to students whose dormitory had burned down in order to enable them continue with their education. We have an internship program which is STEM oriented. 9 students were absorbed from various universities this year. Students from primary, secondary and university continue to visit our factory to learn about the science of salt manufacturing. In 2018 and 2019, we donated laptops to university students to aid them in their course work



#SDG	SDG DESCRIPTION	OPPORTUNITY FOR SHARED VALUE	
		PREVIOUS YEARS	2018-2019
4	Quality education: Ensure inclusive and equitable quality education and lifelong learning	<ul style="list-style-type: none"> • Since 2014 we have absorbed more students into our bursary program every year. The program gives priority to bright students from disadvantaged backgrounds. We give them the opportunity to have quality secondary school education. • We also run an internship program which was started in 2014. New graduates are given opportunity to experience real work under this program. We have had success in this program as many have joined us after they've complete their schooling. • In 2017 February, we partnered with the Hare Krishna Temple and joined them during the Food For life Program. The event was aimed at giving students from impoverished backgrounds food. We provided solar lamps to the students, seeing as how most of the families did not have sufficient lighting at home making it harder for students to do homework or study. 	



#SDG	SDG DESCRIPTION	OPPORTUNITY FOR SHARED VALUE	
		PREVIOUS YEARS	2018-2019
5	Gender Equality: Achieve gender equality and empower all women and girls	<ul style="list-style-type: none"> We have made serious commitments to involve women in our operations. More women have been encouraged to secure positions at all levels from senior management to the refinery. Under the out-grower program, we have encouraged and admitted more women and the less advantaged in the society to participate either through their groups or individually. Some of them maintain nurseries where we buy seedlings from and others are planting trees in their farms. We have also supported the girl child education through the partnership with the Girl Child Network. Some of our outreach programs have also supported young girls and single mothers. We have continually supported the Women of Magarini Sub-county by funding them on the International Women's day, a celebration that brings many of them together to learn from each other, have fun and have a sense of belonging. We have partnered with the County Government of Kilifi and donated 1800 packets of sanitary towels to all the girls in secondary schools within Magarini Sub- county. 	<ul style="list-style-type: none"> Currently, women constitute more than 40% of our staff at the refinery. Women have been absorbed into all our departments. Our senior management comprises of 20% women. Those who benefited from our purchases of seedling and trees this year were women. They constituted 80% of all those who we engaged. We continue to advocate for fair employment practices with no discrimination whatsoever.

5 GENDER EQUALITY



#SDG	SDG DESCRIPTION	OPPORTUNITY FOR SHARED VALUE	
		PREVIOUS YEARS	2018-2019
6	Clean water and sanitation: Ensure availability and sustainable management of water and sanitation for all.	<p>In 1993, we constructed three boreholes at Muyu wa kae and one at Zhogato. These areas face challenges in accessing clean water. These boreholes are their only source of water.</p> <p>We have invested in water conservation techniques by recycling our effluents and using the same in our refinery.</p> <p>In February 2012, we built a dam in Dodoni area. This dam serves about 10,000 villagers in nine villages namely Midodoni A and B, Mandokeni, Kadzuhoni, Dodoma, Msambweni, Karimapaka and Mbuyu wa Kombo. Animals also quench their thirst by drinking at the dam.</p> <p>In 2013 we invested in a Reverse Osmosis plant. This provides clean drinking water to all our staff and the local community. Over 12,000 people collect drinking water per month for free.</p> <p>We have also invested in rain water harvesting facilities which allows us to harvest rain water during rainy seasons for use even after the rains.</p> <p>We re-opened the seasonal River Balesa in Marereni and brought it back to its original course.</p>	<ul style="list-style-type: none"> • We fully funded the construction a borehole that is a source of clean fresh water for communities at Timboni, Mjanaheri, Gongoni and Marereni. • We have improved our farming skills to enable us increase our farm productivity while reducing the amount of water we use. This includes concentrating planting of farm produce during rainy seasons only and use of greenhouse and drip irrigation. • Installation and commissioning of a distillation plant to recycle the liquid waste generated from the printing processes of our film plant. • As a food manufacturing industry, we have provided adequate and efficient sanitary facilities at our refinery and maintained high hygiene standards. • We have also invested in rainwater harvesting equipment across our entire facility inclusive of our staff quarters.

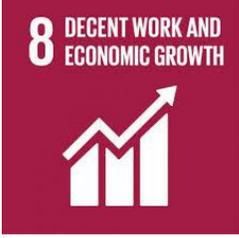
6 CLEAN WATER AND SANITATION



#SDG	SDG DESCRIPTION	OPPORTUNITY FOR SHARED VALUE	
		PREVIOUS YEARS	2018-2019
7	Affordable and clean energy: Ensure access to affordable, reliable, sustainable and modern energy	<ul style="list-style-type: none"> • Our refinery uses bio-thermal boilers hence reducing the carbon emissions. • We invested in 991kWp solar system which is a PV-diesel hybrid. • In 2014, we gifted solar lamps to our staff so that they learn to conserve electricity. • Additionally, in 2015 they each received energy saving jikos which only uses 6 piece of charcoal all day and does not create any fumes. • During the Food For life Program, we provided solar lamps to the students, seeing as how most of the families did not have sufficient lighting at home making it harder for students to do homework or study. 	<ul style="list-style-type: none"> • We planted more than 50,000 more trees in our farms and with the out grower farmers this year. • From our readings, we were able to generate approximately 1,299,702 Kwh per month of clean energy between July 2018 and July 2019 from our solar farm, saving us approximately 20% of energy cost. • Our street lamps are powered by solar lamps which charge up during the day and provide sufficient lighting to our premises during the night. • We continue to educate our staff on energy preservation skills . • We work towards improving the efficiency of physical facilities and processes at the refinery to minimize energy loss and maximize on utilization. • We continue to invest in environmentally sustainable electricity options and infrastructure that reduces our carbon footprint.

7 AFFORDABLE AND CLEAN ENERGY



#SDG	SDG DESCRIPTION	OPPORTUNITY FOR SHARED VALUE	
		PREVIOUS YEARS	2018-2019
8	 <p>Decent work and economic growth: Promote sustainable and inclusive economic growth, full and productive employment and decent work for all.</p>	<ul style="list-style-type: none"> We continue to convert casuals to permanent staff. In 2006, there were over 500 casuals and only 150 permanent staff. Currently there are over 700 permanent staff. Our operations have provided the local community with opportunities to get decent work and attain economic growth. Housing with free security, clean water and electricity is provided to all staff. All staff are involved in the Kaizen projects and are able to benefit from the continuous training programs. We have in-built procedures to eradicate forced labour, child labour and discrimination. 	<ul style="list-style-type: none"> We have also managed to convert 24 piece rate employees to permanent staff so far in 2018. We intend to put more of the piece rate workers under permanent employment. We have developed a system that enables us to convert casuals to permanent at the close of their first three months' probation. Continuous training programs are in place for the staff to improve their skills and promote personal growth. Our internship and scholarship programs aim at providing the youth with decent and sustainable jobs upon completion of school. We continue to provide a safe working environment for all by ensuring that no persons is discriminated with regards to gender or race.

#SDG	SDG DESCRIPTION	OPPORTUNITY FOR SHARED VALUE	
		PREVIOUS YEARS	2018-2019
9	Industry, innovation and infrastructure: Build resilient infrastructure and promote sustainable industrialization	<ul style="list-style-type: none"> We engage with governments in addressing infrastructure challenges faced in the education and health sectors through our CSR Projects. By establishment of these infrastructure, two satellite towns have developed in Gongoni and Marereni where we operate. The settlements have grown as locals are attracted by the infrastructure 	<ul style="list-style-type: none"> We have taken the responsibility as corporate body, in partnership with the government and other investors to support the local community by addressing the infrastructure challenges faced in sectors of education, health, and water services through our CSR Projects. There has been transfer of skills acquired by Employees from our operations over the years. We are currently carrying out a study which will enable us to implement the production of fertilizers from our byproducts. We took part in the 4th UN Global Compact Academy session on Setting Science Based Targets to learn on how best we can deal with the issue of greenhouse gas emissions from our industry.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



#SDG	SDG DESCRIPTION	OPPORTUNITY FOR SHARED VALUE	
		PREVIOUS YEARS	2018-2019
10	Reduced inequality within and among communities	<ul style="list-style-type: none"> We have provided targeted internships for young people from disadvantaged backgrounds in order to promote social mobility whilst also enhancing company performance through increased workforce diversity. Our projects targeting the women, young girls, single mothers, children and people with disabilities are aimed to reduce the inequalities in our societies. Through the various projects they are empowered to have equal competitiveness with the rest in the community. We promote sports and games activities that bring communities together. We do this by sponsoring teams and tournaments. We have also donated footballs and uniforms to local football teams. We promote social mobility through various programs that enable those from disadvantaged backgrounds an opportunity to mingle and have a normal life. In 2013 the ‘ Watoto Pamoja’ event was held by Therapies for Kids. Since 2013, we have been partnering with Talanta Kenya who organizes a Christmas event for almost 3000 orphaned and less fortunate children from different Children’ s Homes and Orphanages in Mombasa 	<ul style="list-style-type: none"> We have improved our production efficiency thereby allowing us to provide our customers of low income to afford our products. We have implemented a zero tolerance policy to discrimination of any form within our employment system and supply chain. Our projects targeting the women, young girls, single mothers, children and people with disabilities are aimed to reduce the inequalities in our societies. Through the various projects they are empowered to have equal competitiveness with the rest in the community. Our workers at all level, including the lower paid, have equal opportunities to develop their skills through our kaizen projects and other in-house trainings.

10 REDUCED INEQUALITIES

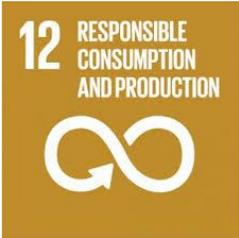


#SDG	SDG DESCRIPTION	OPPORTUNITY FOR SHARED VALUE	
		PREVIOUS YEARS	2018-2019
11	Sustainable cities and communities: Make cities and human settlement inclusive, safe, resilient and sustainable	<ul style="list-style-type: none"> The two major sub-towns in our areas of operations, namely Marereni and Gongoni are both found right opposite Krystalline Salt – Gongoni and Krystalline Salt - Marereni respectively. These Sub towns are growing as Krystalline keeps moving most of its operations from Nairobi and Mombasa to their sites in Gongoni and Marereni. In 2016, we managed to fence Marereni Primary school in for safety and security reasons. This was to achieve a safe and resilient environment for the children and teachers while in school. 	<ul style="list-style-type: none"> Our agricultural practices like use of greenhouse, drip irrigation and organic fertilizers have enable us to have fresh farm produce throughout the year despite the weather conditions. We continue to engage in industry collaborations which bring greater connectivity, energy efficiency and safety to the two urban centers. We strive to build with nature (i.e. natural or green infrastructure) to create societal and ecological value whilst optimizing operational efficiencies.

11 SUSTAINABLE CITIES AND COMMUNITIES



#SDG	SDG DESCRIPTION	OPPORTUNITY FOR SHARED VALUE	
		PREVIOUS YEARS	2018-2019
12	Responsible consumption and production: Ensure responsible consumption and production patterns	<ul style="list-style-type: none"> We continued to improve the efficiency of physical facilities and processes in regards to the use of energy, water, raw materials and other resources. All efforts are made to reduce wastage of raw materials through improvement projects, constant monitoring and whenever possible by reusing or recycling of materials 	<ul style="list-style-type: none"> We have maintained systems to enable us monitor consumption rates and come up with measures for reduction through our kaizen projects. We recently came up with measures to reduce the amount of plastic film used in packaging of our products. These have been implemented and we intend to achieve 15% reduction in plastic used. The implemented plastic take back scheme has enabled us to play an extended producer responsibility in ensuring the plastics are recycled and managed accordingly. We have made efforts to increase and advance our Supply chain transparency and accountability to avoid ending up with excess materials not required for production. We continue to keep track of our consumption and waste generated through inventories. We have also managed to reduce on the generation of waste through adopting prevention, reduction, recycling and re-use measures.



#SDG	SDG DESCRIPTION	OPPORTUNITY FOR SHARED VALUE	
		PREVIOUS YEARS	2018-2019
13 	Climate Action: Take urgent action to combat climate change and its impacts	<ul style="list-style-type: none"> We have planted over a million trees under our TWO MILLION Trees initiative. We have implemented a strict procurement process that enables us to purchase equipment that reduces greenhouse gas emissions. 	<ul style="list-style-type: none"> We have joined partnerships that enable us to measure, monitor and report measures undertaken to reduce exposure to adverse climate and impacts. We submit our report on clean energy generation to Japanese government every month. In 2018, we participated in a Climate Change walk that was organized by the County Government of Kilifi, Department of Water, Environment, Forestry and Natural Resources. The walk was aimed at creating awareness on climate change and ways of mitigating its adverse effects. In 2019, we engaged two different schools in the planting of mangrove trees within their compound. This activity was set to increase forest cover within their locality and also create awareness on climate change mitigation.

#SDG	SDG DESCRIPTION	OPPORTUNITY FOR SHARED VALUE	
		PREVIOUS YEARS	2018-2019
14	Life below water: Conservation and sustainable use of oceans, seas and other marine resources	<ul style="list-style-type: none"> We have Implemented improved treatment systems to ensure any waste water produced during manufacturing is properly recycled back into the refinery and not released into the natural environment. We participated in planting and conservation of mangrove trees which act as a habitat for many marine animals. 	<ul style="list-style-type: none"> We have improved our treatment systems to increase their efficiency. We plant and conserve mangroves that are important habitat for marine life. We continue to engage with the Fisheries Department and Beach management unit to monitor our activities so that they do not have adverse impacts on marine life. The plastic take back mechanism is also aimed to free water bodies of the many plastics that were disposed into them.



#SDG	SDG DESCRIPTION	OPPORTUNITY FOR SHARED VALUE	
		PREVIOUS YEARS	2018-2019
15	Life on land: Protect, restore and promote sustainable use of ecosystems, reverse land degradation, combat desertification and biodiversity loss.	<ul style="list-style-type: none"> We continue to implement recycling systems for waste materials produced during manufacturing. We have built and maintained a bird sanctuary. We use 100% organic fertilizers to improve soil value. We have planted trees next to the salt ponds to eliminate glare. 	<ul style="list-style-type: none"> Our tree planting project and planting of mangroves have led to the creation of ecosystems for many flora and fauna hence a conservation hot spots for life on land. The bird watching exercise that was conducted within our premises showed a total of 1,643 individuals of 31 water bird species. In 2018, we organized a clean-up on the World Environment Day. We freed our premises of plastic papers and bottles.



#SDG	SDG DESCRIPTION	OPPORTUNITY FOR SHARED VALUE	
		PREVIOUS YEARS	2018-2019
16	Peace, Justice and strong institutions: Promote peaceful and inclusive societies, access to justice and build effective and accountable institutions	<ul style="list-style-type: none"> Through our membership with Kenya Association of Manufacturers (KAM), a CSR committee and KAM Liaison office for the salt sub- sector was created. Through KAM, CSR Committee and the local authorities we have engaged and worked together with the community. Peace and justice have been enhanced with the local community through these initiatives. 	<ul style="list-style-type: none"> The completion and launch of the KNCHR audit report was achieved through collective responsibility. The progress made in achieving the 17 recommendations of the 2006 Public Inquiry has demonstrated inclusivity, justice and accountability among stakeholders. The quarterly stakeholders meetings or forums have promoted peaceful co-existence and inclusiveness. In collaboration with the community, we invited and supported the National Land Commission who trained the locals on land acquisition or ownership procedures and measures put in place to ensure compensation for land and its applicability. We continue to apply due diligence in all matters relating to the community with the aim of fostering peace.



#SDG	SDG DESCRIPTION	OPPORTUNITY FOR SHARED VALUE	
		PREVIOUS YEARS	2018-2019
17	Partnership for the goals: strengthen the means of implementation and revitalize the global partnership for sustainable development	<ul style="list-style-type: none"> We subscribe to various business coalitions and partnerships such as with Kenya Association of Manufacturers that enable us to engage with policy makers by providing relevant information and expertise to enable them pass meaningful and practical regulations. With the Joint Crediting Mechanism under the Global Environment Centre Foundation and Government of Japan, we have invested in 991 Kwp a Solar PV system. 	<ul style="list-style-type: none"> Salt manufacturing was recently put under the Ministry of Mining at the time of revision of the Mining Act. Since our sector is new under the ministry, we are currently engaging them to enable them understand our operations in order to have meaningful regulations for salt manufacturing. We have achieved many of our CSR programs and in-house projects through partnerships with community, various organizations and government departments. This year we hosted Better Globe Forestry who were on a mission to learn about our efficient processes and our award winning casuarina plantation.

17 PARTNERSHIPS
FOR THE GOALS



CHALLENGES FACED

As we execute our programs in order to achieve the 10 United Nations Guiding Principles and the 17 Sustainable Development Goals, we were faced with the following challenges:

a. Delayed approvals

Our commitment to eliminate corruption and bribery in all its forms have made us to get slow response especially when we need approvals from third parties.

To cope with this, we have learnt to initiate such processes early enough so that we are not inconvenienced with such delays.

b. Pioneering

We are currently the only company which has subscribed to the United Nations Global Compact within our supply chain. It has therefore been quite challenging encouraging our stakeholders to shift their approaches to issues affecting us.

However, we utilize such instances to enlighten them on why they should align their value creation strategies with the 10 principles and Sustainable Development Goals. We often give examples of the improvements we have registered since we made the commitment in 2013.

c. Duplication of legislations

As an industry, we are faced with the challenge of having to comply with sets of legislations that tend to overlap and results in double taxation. The duplication adversely affects our business and makes the investment a non-profit making entity

To overcome this, we are working hand in hand with the Kenya Association of Manufacturers to identify legislations that are relevant to us and negotiate on the terms set forth in the regulations.

CONCLUSION

We have noted remarkable impacts of our efforts made under the United Nations Global Compact (UNGC) Initiative.

It is for this reason that we continue to pledge our commitment to introduce and monitor new measures and also report the progress made annually.

As part of our core values, we commit to continuous improvement of the already developed systems to achieve better results. We shall also sustain the programs for already achieved opportunities over the period for as long as they remain effective and in line with the Principles and SDGs.

Our aim is to uphold internationally recognized good practices, maximize on all our opportunities for shared value and attain our targets through partnerships and collaborations where necessary