



KENYA BIXA LIMITED COMMUNICATION ON PROGRESS 2020

Statement of continued support for Global Compact by General Manager

Kenya Bixa Ltd, Has been Member of the UN Global Compact since 2013 and is committed to support the Ten Principles of the UN Global Compact pertaining to Human Rights, Labor Law, Environmental Protection and Anti-Corruption initiatives, we also committed to support UN Sustainable Development Goals. The Company also wishes to express its clear determination to advance these principles in every sphere of influence, and commitment to mainstream them into the company's corporate strategy, business culture and operational practices and also to ensure that Employees and all the stakeholders are kept safe from the Covid 19 Pandemic

The Company furthermore is committed to report openly and publicly on these topics, and to inform the employees, business partners and customers about its performance.

In this perspective of accountability and transparency, Kenya Bixa reports publicly on the results of its initiatives in favour of a sound enforcement of the Ten Principles of the UN Global Compact via Communication on Progress.

David Kisa
General Manager

COMPANY DETAILS

Company name:	Kenya Bixa Ltd.
Sector:	Agri- Business and Manufacturing
Number of employees:	115
UN Global Compact signatory since:	2013
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Brief description of nature of our Business


- 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 byproducts 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 125 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

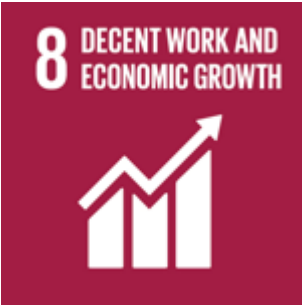



KENYA BIXA SUSTANABILTY FRAMEWORK AND UN SUSTANABILTY DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs) are a collection of 17 global goals designed to be a "blueprint to achieve a better and more sustainable future for all". The SDGs, set in 2015 by the United Nations General Assembly and intended to be achieved by the year 2030, are part of UN Resolution 70/1, the 2030 Agenda.

Kenya Bixa Ltd sustainability Framework aims to ensure that our business activities are conducted in a way that mitigates the related risks and supports the UN global Compact principles and the relevant Sustainable Development Goals (SDGS)

The Table below show the Framework and the inter linkages between UN Global Compact Principles and the relevant SDGs

KENYA BIXA SUSTANABILITY FRAMEWORK	UN GLOBAL COMAPCT PRINCIPLES	UN SUSTAINABLE DEVELOPMENT GOALS
work Environment Guided by the Human resource policy that captures staff welfare policy and procedures and also established Covid 19 Workplace policy and guidelines	Human Rights principles 1 and 2	 The icon for SDG 3, 'Good Health and Well-being', features a green square background. At the top, the number '3' is in white, followed by the text 'GOOD HEALTH AND WELL-BEING' in white capital letters. Below the text is a white graphic of a heartbeat line (EKG) that ends in a heart shape.

<p>Employees & Interested Parties: Kenya Bixa empowers the Bixa Farmers and provide employment directly and indirectly and also pays bixa farmers promptly and engages in CSR activities</p> <p>Ethics: Kenya Bixa also has a policy that prohibits Bribery and corruption in the entire supply chain</p>	<p>Labour Rights (3 and 4)</p> <p>Corruption Principle 10</p>	
<p>Environment: The Company utilizes the Bixa waste seeds to produce Biogas that is used to generate steam and plans are in place to Manufacture Briquettes using the same waste seeds to use as fuel in our Boilers hence no cutting of trees as we address climate change</p>	<p>Environmental principles (7,8 and 9)</p>	 
<p>INNOVATIONS: Kenya Bixa Has upgraded their Skimming, Filtration and drying processes with the use of Decanter Technology</p>	<p>Labour Rights (3 and 4)</p>	

UN 10 PRINCIPLES OUTCOMES

1.0 HUMAN RIGHTS PRINCIPLES

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 even with the prevailing challenges of Covid 19 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 Kenya Bixa Covid 19 Workplace policy and Human Rights processes

- Kenya Bixa Developed Covid 19 work place policy statement On March 2020 to ensure safety of employees and continuity of Business operations. The Policy ensured that each employee
 - Wash Hands Frequently
 - They Avoid Touching Eyes, Nose and Mouth
 - Practice Respiratory Hygiene
 - Maintain Social Distancing every time
- Due the Covid 19 Pandemic which affected businesses, Top management ensured that only critical staff was operating at the factory premises ensuring they observed the social distancing and following the Ministry of Health regulations. Most of the Staff were working from remotely from Home
- Meeting were done Virtually (Board of Directors and Management Meeting)
- Kenya Bixa Ltd gives 26 annual leave days per year to all employees to enable them to have ample rest as required and is approved by respective line managers, 5 days compassionate leave for employees who are bereaved in their immediate family and those who are planning their weddings.
- Maternity/paternity leave: KBL 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.

Activities we implemented in 2020

- Staff Sensitization Meetings on Public Health regulation's to ensure compliance on Covid 19



- Top Management supported staff who had weddings and supported those who were bereaved
- All the staff were able to take their annual leave and rest days accordingly.

Measurements and Outcomes

- Based on the adherence to the laid down regulations on Covid 19 we had zero infections at the workplace
- Based on the tracking of leave accrual per staff member by the HR, it is confirmed that all staff took their annual leave as per approved annual leave plans.
- There were no cases reported on human rights violations.

2.0 LABOUR RIGHTS PRINCIPLES

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.

A brief description of Kenya Bixa Labour processes or systems

- The employees are members of Kenya Union of Commercial Food and Allied Workers (KUCFAW), while the company is a member of Federation of Kenya Employees (FKE).

The company advocate the standard working hours for Kenya bixa employees to be 44 hours a week and lunch break of 1 hour except those working on shift programs.

- 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.
- Kenya Bixa Ltd 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.

The Company has 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

Activities implemented in 2020

- Training on first aid and fire safety to selected employees who were chosen to be fire marshals and First aiders on their respective floors and all the staff were sensitized on fire safety procedures as part of our Safety Policy



Photo of Fire Training skills By Red cross

- ISO 22000:2018 Food defense, traceability fraud trainings and food safety standard certifications awareness were done to enhance on continuous improvements of our systems
- Awareness on personnel hygiene was also done
- Medical Examinations were done on staff to ensure compliance with the Public health requirements
- Reward scheme implementation where staff that performed well in their various departments were rewarded and recognized.

Measurement of outcomes and value added for our company

- There was reduced Number of Minor accidents from 3 in 2019 to 2 in 2020 this was due to enhanced trainings and sensitization of safety at work place
- Compliance to Government regulatory and legal requirements (photo of Halal Auditors on compliance)



- Improved working relationship with the KUCFAW Union leadership because of the Mutual understanding and continual communication process.
- Improved satisfaction index from 71% to 73%

3. ENVIRONMENT PRINCIPLES

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

The company is committed in ensuring that we operate and take initiatives that will promote the 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 Committee who monitor and sensitize staff on Safety at work place

Activities implemented in the 2020

- Accidents are Monitored every Month and analysis are shared with the departments
- National Environmental Management Audit carried out in the Facility to Ascertain compliance
- Turning the Bixa waste seeds into Methane gas to be used for steam generation
- Test and treatment of Effluent water in quarterly basis with reputable laboratories

Measurements and Outcomes

- Compliance Report Issued from NEMA and Exception certificate on the use of Primary Packaging materials

4.0 ANTI-CORRUPTION PRINCIPLES

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

Our Commitment

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

The Company Code of Conduct provides specific guidance on corruption related concerns such as fair competition, conflict of interest, acceptance and giving of gifts and improper payments.

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

- Kickbacks or kickback schemes, especially in form of cash
- Unexplained rebates.