

Our steps towards sustainability and responsibility

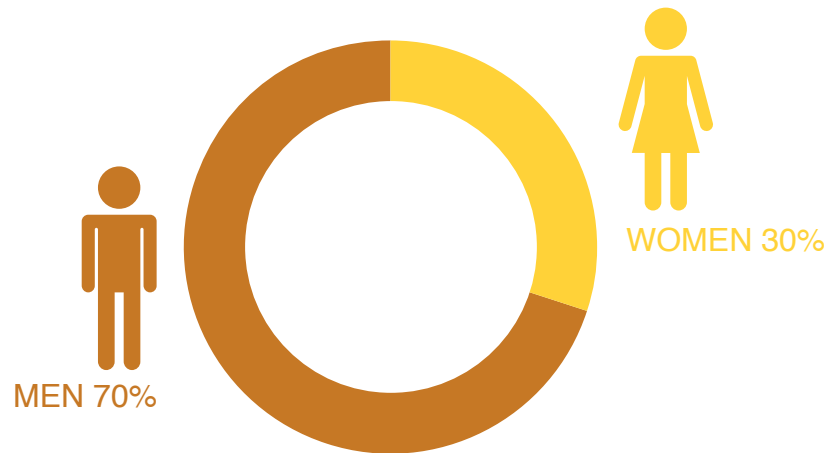
KAKUZI ESG REPORT 2019



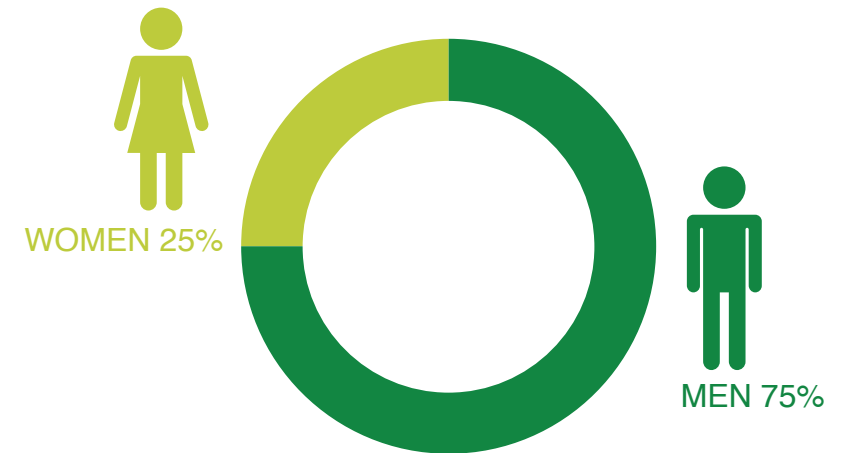
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2019 IN REVIEW



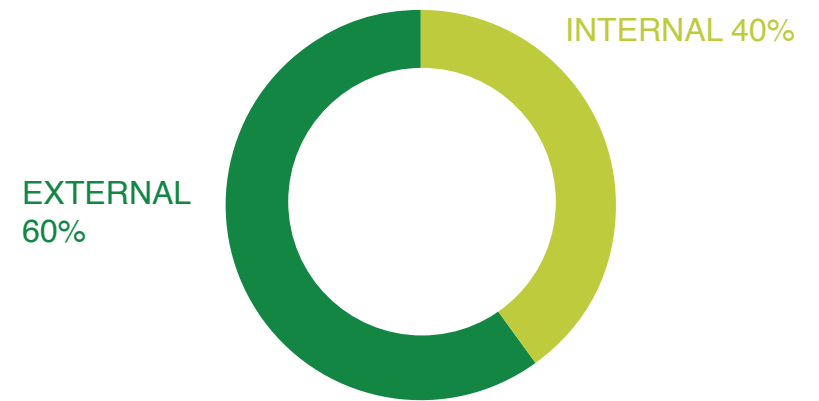
UNIONISABLE EMPLOYEES



MANAGEMENT STAFF



UNIONISABLE EMPLOYEE TRAINING



MANAGEMENT STAFF TRAINING




2019 IN REVIEW

34
VILLAGES

981
HOUSES

Free housing, constructed and maintained by the company, is provided to our employees and their dependents.



To ensure year-round food availability for employees, Kakuzi has initiated a Kitchen Garden Programme. Each employee is encouraged to cultivate the area around their house and plant enough vegetables to feed their family and produce surplus to sell. We educate and encourage employees to organically plant indigenous vegetables, which are highly nutritious. The result has been reduced malnutrition in our estates.

The Kitchen Garden Programme supplements the ongoing provision of food staples by Kakuzi to employees.

2019 IN REVIEW



2.9B

TURNOVER

1B

PRE-TAX PROFIT

301M

CORPORATE TAX

14/-

DIVIDEND SHARE

CODE OF ETHICS

Our code of ethics is derived from core values which have been nurtured over many years and these will continue to guide our behaviour to ensure a sustainable future for our business.

OUR CORE VALUES

In conducting our business, we are guided by the following core values:

- o To act honestly and fairly with integrity and respect in all our business dealings
- o To respect the dignity and well-being of all those people who work for us
- o To support environmental sustainability and biodiversity
- o To respect and contribute to the communities that are affected by our business
- o To produce safe and quality products consistently

BUSINESS INTEGRITY

All our business dealings will be conducted honestly, fairly and with integrity such that we continue to be trusted partners to all our stakeholders. Our summary code of conduct is to:

- o Understand and comply with all legal requirements
- o Be honest, open and co-operative with all regulators
- o Reject bribery in any form
- o Compete independently and not enter into any anti-competitive agreements
- o Properly record, report and review financial and tax information

CHAIRMAN'S STATEMENT

We are glad to present the first Kakuzi, Environmental, Social, and Governance Report. This report reflects our many years of the sustainability journey, which we report for the first time in this format.

The report is a culmination of many years of deliberate Corporate Social Investment in the four thematic areas of Environmental Sustainability, Education, Water and Sanitation and Economic Empowerment as well as a focus on six of the United Nations Sustainable Development Goals(SDGs); SDG3-Good Health and Well-being; SDG4- Quality Education; SDG5- Gender Equality; SDG6-Clean Water and Sanitation; SDG8- Decent Work and Economic Growth and SDG13-Climate Action.

The report demonstrates Kakuzi's active involvement in ensuring best agricultural practices, environmental protection and enrichment, social well-being of its employees and the surrounding community, equity within its diverse workforce, and economic empowerment of the various stakeholders. Moreover, the company continues to partner with multiple national and international institutions, development organizations, and human rights bodies to fully realize the sustainability objectives that the company has set for itself.

Kakuzi is committed to implementing the United Nations Global Compact principles as part of our continued belief in sustainable development, responsibility, and accountability in our business.

We ensure that our operating standards are consistently high and that our policies translate into practical actions.

Through this report on our progress, Kakuzi is demonstrating its willingness to support and advance the UN Global Compact's ten principles through our policies, processes, actions, and products. We further commit to enhance our corporate responsibility to respect human rights as envisaged in the United Nations Guiding Principles on Business and Human rights.

My assurance is that, as long as we can and within our means, we shall continue to do our part in ensuring we propagate the triple bottom line of people, planet, and profit.

Enjoy reading our report, "Kakuzi - our steps towards sustainability and responsibility."

— *Nicholas Nganga*



MD'S STATEMENT

Welcome to our first Sustainability Report through which we intend to provide our stakeholders with a comprehensive review of Kakuzi PLC Environment, Social and Governance activities. Kakuzi has engaged in Corporate Social Investment (CSI) Programmes for many years, with initiatives covering education, economic empowerment, environmental management, sanitation and access to clean water. This is the first time we are reporting these interventions in such a report.

Worldwide agriculture is quite correctly under the spotlight to openly demonstrate its sustainability credentials and where required to significantly improve these. At the same time, the world is facing pressures from climate change, population growth and more recently, a pandemic.

At Kakuzi, we have recognized the importance of our environment for many years but that is not to say we cannot do more. We are committed to preserving and enhancing our natural and agricultural spaces whilst at the same time ensuring that we engage with the wider community imparting knowledge and skills to farmers and participating in numerous projects that benefit the many different communities amongst which we live. As a company we are focused on sustainability as part of our core values and this is reflected in the investment decisions we take. Sustainability, in our view, is ultimately about preserving our planet for future generations, but this can only happen if we make the correct decisions today.

To measure our progress against our environmental and social responsibilities Kakuzi has focused on six of the United Nations Sustainable Development Goals (SDG's). Whilst we accept the importance of all seventeen SDG's we feel that these six best sum up our operational needs and aspirations and those of our wider community.

This report will be structured around each of these SDG's illustrating what initiatives we as a Company have undertaken as well as providing more detail on our governance structures.

Kakuzi PLC has formed many partnerships with a wide range of development organizations. In the last year Kakuzi has worked with national and international bodies including the Carbon Trust, Kenya National Commission on Human Rights, National Museums of Kenya, Ministry of Environment and Forestry, County and National Education Departments as well as the United Nations Office of the High Commission on Human Rights.

We have named this report 'Kakuzi - our steps towards sustainability and responsibility' as it captures what we practice in our agricultural operations and our values as a good corporate citizen.

— Christopher Flowers

“Sustainability... can only happen if we make the correct decisions today.”



ENVIRONMENT | SOCIAL | GOVERNANCE



ENVIRONMENTAL ENRICHMENT

We are cognisant of the potential negative impacts of our operation on the environment, and therefore work diligently to identify these impacts for purposes of managing them in a responsible manner. Our summary code of practice is to:

- o Comply with the Kenyan environmental legislation and international environmental agreements that Kenya has formally ratified.
- o Assess the main environmental impacts of our business activities.
- o Establish programmes and operational controls to minimise environmental impacts identified in the cultivation, processing, and marketing of avocados, blueberries, macadamia, tea, livestock, and commercial forestry.
- o Provide appropriate training to our employees.

Further,

- o Our agronomic practices are designed as per Good Agricultural Practices to minimize possible negative impact on the environment.
- o We have mechanisms in place to monitor and identify potential environmental pollution that allows earliest possible corrective action.
- o Buffer zones of 50m against a requirement of 30m are planted with indigenous trees that act as a sink.



Kakuzi conducts annual state of environment audits and environmental self-audits to monitor and mitigate any potential impacts to the community, environment, and wildlife. Copies of the reports are deposited with the Director General's office at NEMA. We also conduct energy audits, document, and manage waste generated, and document our water usage for purpose of monitoring and managing our carbon footprint. We run an active tree planting programme with a target of 500 indigenous seedlings per year per division. For this reason, our operations are Global G.A.P accredited.

As part of Kakuzi's environmental programme, we are championing tree planting in schools to provide greener environments. The exercise dubbed "adopt a tree" aims to have students and their teachers plant trees and take responsibility for post planting care. We donate the seedlings and offer expertise on planting and after care. Trees provide direct, observable benefits to the schools and the teachers and students transfer skills gained to members of their community.



BIODIVERSITY AT KAKUZI

Carbon Footprint

Kakuzi's carbon footprint results from our production and processing activities with the livestock operation contributing the most. Other significant activities include avocado, macadamia, and blueberry production and processing, through the use of energy, water, resultant waste generated and transport activities. At Kakuzi we monitor and measure our carbon footprint with the aim to continuously bring down the carbon emissions. Based on the measurements, we have implemented sustainable and climate-friendly actions to control and influence these activities.

In addition to the measurements, reduction targets to help keep track of improvements on our climate performance have been included in the annual KPIs for each division.

In addition to complying with all local energy regulatory requirements, we have fully implemented the recommendations from a statutory energy audit. These include the use of efficient technology, training staff in energy-saving skills, monitoring and documenting energy usage, and maintenance of a viable cattle herd.



7,642

tCO₂e



11.8M
KWH

ENERGY USE



45.16

TONNES OF WASTE
GENERATED



2.9M³

WATER USED



2,839
MACADAMIA

8,307
AVOCADO

4.063
BLUEBERRY



WEIGHT IN TONNES ANNUALLY

TREES PLANTED

114,433

EUCALYPTUS



1,142

INDIGENOUS TREES

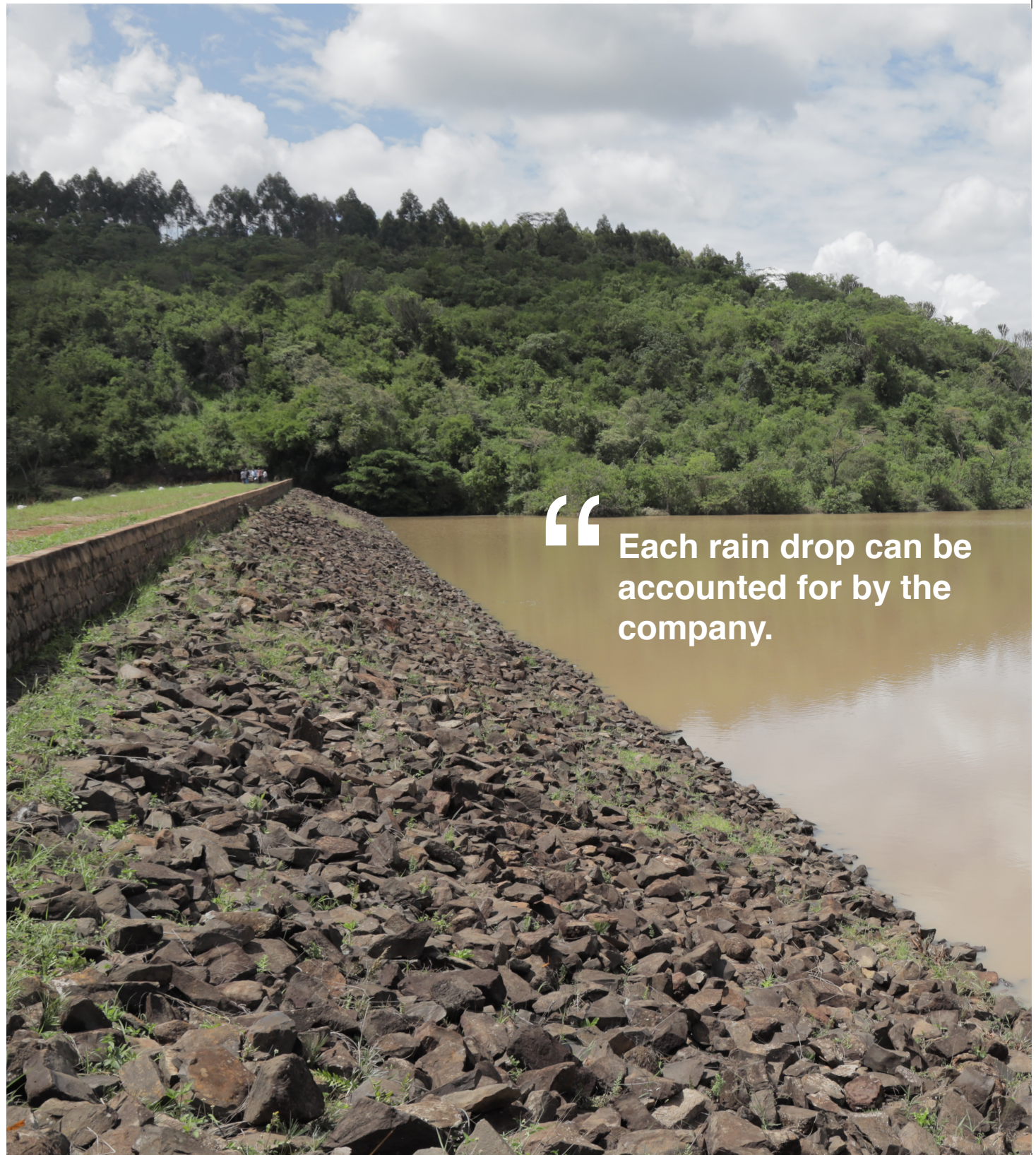
Water

With no large river, lake or any other natural water source traversing Kakuzi land, the farm has developed a series of dams to harness rainwater. This rainwater, trapped in a battery of sixteen gaping earth pans, is enough to meet the water needs of Kakuzi PLC. All this water use is authorized, documented and each rain drop can be accounted for by the company.

Clean Water and Sanitation

Kakuzi has put up a total of 981 houses for its staff and their dependents at all levels. Each household has access to potable, fresh water and sanitation facilities. In addition, clean drinking water and sanitation facilities are provided in the workplace for both field and factory workers. Kakuzi has also protected and rehabilitated 4 community springs to ensure that surrounding communities have access to clean water.

“ Each rain drop can be accounted for by the company.”



Waste

The waste generated at Kakuzi is managed as per the waste avoidance, reducing, reusing and recycling policy. The company has measures to control and limit the amount of waste generated. Waste storage, treatment and disposal practices do not pose health or safety risks to workers, other people or ecosystems. The waste management plans include documenting origin of waste, volume and safe means of disposal. Waste is segregated at source to facilitate re-use, recycle and composting. The company gives priority to product suppliers that minimize waste associated with their products and that access used packaging and containers for recycling. Hazardous waste (fertilizer bags and ex-chemical containers) are collected and disposed of through National Environment Management Authority approved waste handlers.

“ We pride ourselves on being environmental stewards. We are partnering with other stakeholders to conduct trials, on our farm, to adopt alternative solutions.

— William Abere
Compliance and Environmental Manager



ENVIRONMENT | SOCIAL | GOVERNANCE



GOOD HEALTH AND WELL BEING

With two medical facilities and 3 qualified healthcare professionals, Kakuzi provides its employees and their dependents with free primary and curative healthcare. We also run several social programmes aimed at supporting our employees, the youth, and the wider community.

These include:

- o Mother and Child Health (MCH)
- o Voluntary HIV Counseling and Testing
- o Reproductive Health Programme
- o Nutrition and Mental Health Awareness
- o Tabasamu Menstrual Hygiene programme
- o Stand Against Alcohol and Substance Abuse (SAASA) programme
- o Sexual Harassment Awareness Reporting and Prevention (SHARP)

The company holds two annual medical camps and sponsors medical camps with stakeholders, to cater for the healthcare needs of the surrounding communities.



“ We are happy that we can access sanitary towels easily at the work place. We are safe.



We launched a menstrual hygiene programme known as **TABASAMU** (Swahili for Smile) for our female employees. The programme is run by a steering committee made up of female managers and incorporates champions from all divisions. The objectives include:

- o Menstrual hygiene education
- o Access to safe and clean menstrual absorbents
- o Water, sanitation and hygiene infrastructure
- o Safe disposal of menstrual absorbents



“ Creating awareness on alcohol and substance abuse has helped us as employees, especially men. Men tend to abuse alcohol and miraa due to idleness after work. Through the programme we have learned the harmful effects of alcohol and substance abuse and therefore endeavour to better utilize our time.

An education campaign was launched through our **SAASA** (Stand Against Alcohol and Substance Abuse) programme; it is aimed at educating the youth, our employees and the general community on the dangers posed by these products. SAASA feeds directly into Kakuzi's mental health programme which has an additional focus on counselling, stress and depression management, as well as promoting family cohesion.





SHARP

As Kakuzi we recognize that sexual harassment in the workplace will not stop on its own and therefore choose to be part of the solution. Reporting any form of sexual harassment at the workplace is a critical step in addressing cases of sexual harassment. We do not want victims to endure sexual harassment because of fear of inaction, blame, fear of disbelief of their claim, or retaliation. The SHARP campaign is aimed at building open teams and encouraging everyone to have a voice. Employees are empowered through provision of relevant information on our sexual harassment policy and are encouraged to participate in revisions to the existing policy, reporting mechanisms and comprehensive programme. Kakuzi hopes to shift focus on sexual harassment to a participatory issue which co-workers, supervisors, clients, and customers all have an active role to play.

“ Sexual harassment was a topic most people used to shy away from but the SHARP programme has created awareness empowering us on what it is, how to stop it and how to report it.

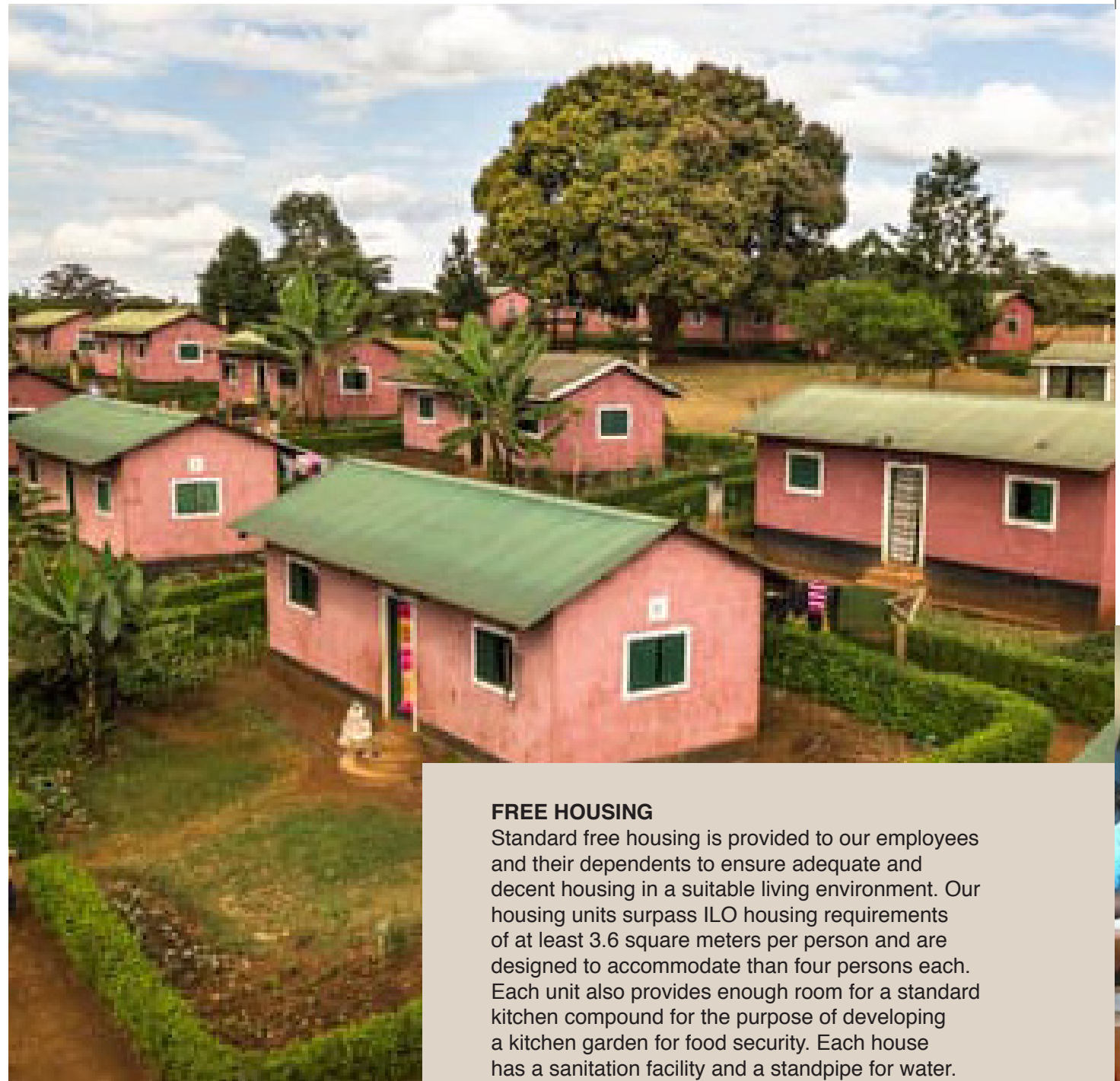
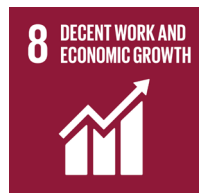


Decent work and Economic Growth

We directly hire our workforce, providing them with legally binding employment contracts, signed by both parties, detailing their obligations, rights and terms and conditions of employment. The exception is when a contractor is able to provide specialized or temporary services under the same environmental, social and labour conditions required by the laws of the country.

Health and Safety

Kakuzi maintains a comprehensive occupational health and safety programme that a senior member of the management team oversees. The programme is guided by the Health and Safety Policy which is reviewed periodically to reflect industry standards, organizational needs, and legal requirements. The components of the programme include workplace risk assessment, joint health and safety committees, workplace inspections, first aid implementation, fire safety implementation, annual third-party health and safety audits, health, and safety training. The entire programme aims to increase awareness, build a safety culture, and make everyone responsible for safety



FREE HOUSING

Standard free housing is provided to our employees and their dependents to ensure adequate and decent housing in a suitable living environment. Our housing units surpass ILO housing requirements of at least 3.6 square meters per person and are designed to accommodate than four persons each. Each unit also provides enough room for a standard kitchen compound for the purpose of developing a kitchen garden for food security. Each house has a sanitation facility and a standpipe for water. Quarterly inspections are carried out to ensure houses are clean, habitable, and maintained in a good state of repair to minimize health risks.

QUALITY EDUCATION

Kakuzi maintains nursery schools and day care centers providing free education to children of employees, dependents and surrounding communities. By ensuring all children of school going age are in school, this supports our strict code of not using child labour in our operations. We also support education through scholarships, bursaries, and stipends and by providing funds to establish and improve the physical infrastructure and learning facilities for schools within and near our plantations.



4

**NURSERY
SCHOOLS**

Aa
100 LEARNERS

8

**PRIMARY
SCHOOLS**


3,525 LEARNERS

4

**SECONDARY
SCHOOLS**


1,890 LEARNERS

2

**TERTIARY
SCHOOLS**


765 LEARNERS



Rainwater Harvesting for Schools

We successfully installed rain water harvesting systems in four schools and piped water to one school enabling storage for over 60,000 Liters of rain water. The project has benefited over 1,500 learners in the schools which are located in a water stressed region. The projects further sustain the schools feeding programme.



Sanitation for Schools

Kakuzi is working with schools to improve access to sanitation. In 2019 Kakuzi built 9 latrines for neighboring schools which will support sanitation practices of the learners.



BEYOND OUR BOUNDARIES

Over the years, Kakuzi has partnered with the smallholder communities in key strategic economic empowerment programmes. The majority of our farmers come from the counties of Murang'a, Kiambu, Kirinyaga, and Embu, with growing interest and entrants from Meru, Nakuru, and Laikipia.

Kakuzi Avocado Smallholder Programme

The Avocado Smallholder Programme was started in 2012 to economically empower the avocado smallholders around Eastern and Central Kenya, by developing a sustainable supply of quality avocados through improved agronomic practices, technical assistance, and improved market access. The programme's mantra is '*tukurie matuda hamwe*' translated to mean 'growing the fruit together'. Under this programme, Kakuzi and the farmer/s enter a win-win relationship based on bottom-line commercial

incentives. Kakuzi provides the marketing and quality assurance services, facilitation, and capacity-building of smallholder groups and individual farmers. By directly purchasing from the smallholder farmers, Kakuzi enables them to earn a steady income twice a year.

Kakuzi reaches the farmers through:

- o Extension services through Field Extension Officers
- o Kakuzi Avocado Training Open Day with practical training
- o Roadshows

To date, a total of 3,092 farmers are registered in the programme, with 1,340 of them actively supplying fruit to our packhouse.

2019 Farmers' Open Day

The Kakuzi Farmers' Open Day is a signature go-to event that avocado farmers look forward to. Our 2019 event hosted over 1,000 farmers, who received practical training by Kakuzi staff on Nursery Establishment, Land Preparation, Planting & Bringing the Tree to Bearing, Irrigation, Fertilizer Application, Pests & Disease Management, Harvesting, Pruning, Weeding, Beekeeping and Global G.A.P. These farmers also had a chance to engage with value chain players in the industry.



3,092

SMALLHOLDER
AVOCADO
FARMERS

2019 ACCOUNTS

Smallholder and Outgrowers Hass Avocados

Trading with smallholders and outgrowers as follows:

	2019	2018
Number of cartons exported	185,534	625,956
Number of cartons sold	182,880	625,956
	Shs'000	Shs'000
Gross Export sales	189,585	366,943
Selling and distribution costs	(66,505)	(196,060)
Net Export sales	123,080	170,883
Local sales	6,265	41,022
Packing expenses	(20,806)	(62,099)
Closing stock	1,687	-
Net return	110,226	149,806
Paid to smallholders	(85%) (93,548)	(104%) (155,256)
Trading Profit/(loss)	16,678	(5,450)
Extension services expenses	(4,386)	(3,639)
Profit/(loss) before income tax	12,292	(9,089)

ECONOMIC EMPOWERMENT PROJECTS

Macadamia Smallholder Programme

The Macadamia Smallholder Programme was initiated to support farmers looking to diversify their crops. Through this programme, Kakuzi has so far donated a total of 1,236 macadamia seedlings to 204 smallholder farmers. Out of the 204, twelve farmers from different regions were identified as “lead farmers” and given 20 seedlings each to start a mini orchard as a pilot program to see which area has the most potential to grow macadamia at scale. In addition to the Kakuzi sponsored macadamia open days, our managers continuously offer agronomic extension services and advice to the surrounding communities.

Beekeeping - Kakuzi Hills Self Help Group

The beekeeping project is one of the economic activities initiated by Kakuzi to help the Kakuzi Hills community.

A total of 175 beehives have been supplied to the initial 123 members of the group. An additional 20 beehives complete with hive stands were donated to the currently active 35 members of the group and the company has plans to donate 20 additional beehives for the group.

The purpose of this program is to support the Kakuzi Hills community with financing, technical support, and marketing of honey to establish a sustainable beekeeping project. The community has shown a desire to work with Kakuzi and the company looks to a continued meaningful engagement.



STAKEHOLDER ENGAGEMENT

We continue to engage constructively on a number of different topics with various stakeholders including:

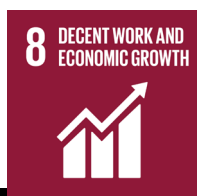
- o Our Employees
- o Workers Union (Our social dialogue continues, Collective bargaining Agreements are up to date and fully implemented)
- o Local Communities
- o Avocado Smallholder Growers
- o Shareholders
- o National Government
- o County Government
- o Civil Society
- o Human Rights Groups
- o United Nations Bodies

Areas of engagement include but are not limited to employee welfare, employee terms and conditions of work, economic empowerment to local communities, national and county government legislation.

All feedback received from all stakeholders, whether positive or negative, is addressed by relevant parties. The stakeholder engagement process is active and on-going.

Buy Kenya, Build Kenya

In 2019 Kakuzi supported local Kenyan companies and SMES by purchasing inputs worth KES 605 Million. The company also paid KES 78 Million to various Kenyan building contractors.



ENVIRONMENT | SOCIAL | **GOVERNANCE**



THE BOARD OF DIRECTORS

The Board is composed of a balanced number of executive, non-executive and independent directors, who bring a range and diversity of skills, experience and technical knowledge. The Board recognises that opportunities exist to consider diversity upon future retirements of non-executive directors, as per the governance guidelines.

The Board of Directors is responsible for putting in place governance structures and systems that support the practice of good governance in the company.

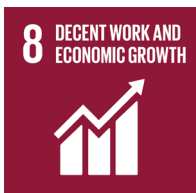
The Kakuzi Board consists of the Chairman, who has non-executive responsibilities, three independent Directors, one non-executive Director and two executive Directors.


The Board meets quarterly and is responsible for establishing the corporate governance pillars, setting the strategic direction, reviewing business performance and supervision of the management of Kakuzi operations.

The Directors have the knowledge, experience, autonomy and skills enabling them to carry out their Board responsibilities.



*Standing L-R: Stephen Waruhiu, Ketan Shah, Andrew Njoroge & Christopher Flowers
Sitting L-R: Nicholas Nganga, Graham Mclean, Daniel Ndonge*



A photograph of a flock of crowned cranes in a lush green field. The cranes have grey bodies, white and black wings, and a distinctive orange crest. Some are standing, while others are in motion. In the background, there is a dense line of trees under a soft, overcast sky.

The Principal responsibilities of the Board are:

- o Strategy
- o Acquisitions and disposals
- o Financial reporting and control
- o Internal controls
- o Approval of expenditure above specified limits
- o Approval of transactions and contracts above specified limits
- o Responsibilities for corporate governance
- o Board membership and committees
- o Approval of changes to capital structure
- o Debt financing

BOARD COMMITTEES

The Board has established Committees to assist it in discharging its responsibilities and obligations. The Committees assist the Board in carrying out its functions and ensuring that there is independent oversight of internal controls and risk management. These Committees have terms of reference approved by the Board, indicating their mandate, authority, duties, composition and leadership. The appointment of the members to these Committees draws on the skills and experience of individual Directors.

Board Audit & Risk Committee

Chaired by Mr Daniel Ndonye, an independent Director, all members of the Audit and Risk Committee have the relevant qualifications and expertise in audit, financial management or accounting. The principal responsibilities of the Committee are:

- o To review and monitor the financial statements of the company and the audit of those statements
- o To monitor compliance with relevant financial reporting requirements and legislation
- o To monitor the effectiveness and independence of the external auditor
- o To review the efficacy of the company's internal control system - the Committee regularly reviews the effectiveness of internal audit activities carried out by the company's audit function and senior management
- o To review significant accounting policies and practices
- o To review non-audit services provided by the external auditors

Nomination and Remuneration Committee

Chaired by Mr Nicholas Nganga, a non-executive Director, the Nomination and Remuneration Committee seeks to provide remuneration packages that will attract, retain and motivate the right people for the roles and so far as is practicable, to align the interests of the executives with those of shareholders.

The committee has the following principal responsibilities:

- o Review the balance and composition (including gender and diversity) of the Board, ensuring that they remain appropriate
- o Be responsible for overseeing the Board's succession planning requirements including the identification and assessment of potential Board candidates and making recommendations to the Board for its approval
- o Keep under review the leadership needs of, and succession planning for, the company in relation to both its executive and non-executive Directors and other senior executives
- o Board performance evaluation and development of Directors

OUR PRINCIPAL GOVERNANCE POLICIES

In 2019, in partnership with our service providers, suppliers, UN Global Compact, and the Kenya National Commission on Human Rights, the following policies were implemented thus enhancing the realization of our core values and code of ethics:

- o Code of Ethics- Signed by our employees and suppliers
- o Anti-bribery Policy- Signed by our employees and suppliers.
- o Anti-facilitation of tax evasion -19 senior managers trained
- o Anti-modern Slavery policy- Signed by our employees and suppliers
- o Membership to UN Global Compact
- o Partnership with Kenya National Commission on Human Rights- 160 managers and supervisors sensitized and trained in human rights and business

The company has also put in place various policies that seek to enhance the effectiveness and adequacy of its governance and which are in compliance with the Kenyan legal framework and international conventions that Kenya has formally ratified and in line with good governance practices for the interest of stakeholders.

The policies include:



Fair Treatment and Good Working Conditions

Through this policy, the management commits to engage in fair employment practices and maintain a workplace free from any kind of discrimination, harassment or intimidation. and respect national laws. Workers have the right to freely organize and voluntarily negotiate their working conditions in a collective manner as established in ILO Conventions 87 and 98 and in line with the national laws. To this end, every 2 years a Collective Bargaining Agreement is entered into between Kakuzi and the workers union, spelling out terms and conditions of employment to be observed during the period.



Anti-Bribery & Corruption policy

This policy is in place to foster an environment that encourages ethical behaviour and compliance, while an internal committee is in place that meets quarterly to monitor this.



Modern Slavery

We seek to understand and prevent slavery and human trafficking in our operations, and to ensuring that our supply chains are free from slavery and human trafficking. Our suppliers are equally required to sign and adhere to our Anti-slavery and human trafficking code.



Whistleblowing

The Board of Directors, management and staff members are committed to upholding the highest levels of integrity and observance of the rule of law. Any member of the public can register their grievances against the company, its directors, the management or employees through the contacts provided on the company website.



Employee Welfare

The welfare of our employees is of paramount importance. We ensure that the workplace is safe and good relationships are maintained between management and employees.



Tax Policy

It is our policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to facilitation of tax evasion. All senior managers have been trained by a leading consulting firm on anti-tax evasion matters.



Environmental

We continue to identify the environmental impacts of all our activities and manage these in a responsible manner to minimise the impact of our activities. In supporting environmental sustainability and biodiversity our summary code of practice is to:

- o Comply with all environmental legislation
- o Assess the main environmental impacts of our business activities
- o Establish programmes and operational controls to minimise environmental impacts identified in each of our businesses
- o Provide appropriate training to our employees



Health & Safety

Kakuzi maintains a comprehensive occupational health and safety programme. The components of our programme include:

- o Health and safety policy
- o Workplace risk assessment
- o Joint Health and Safety Committees
- o Workplace inspections
- o First Aid implementation
- o Fire safety implementation
- o Annual Third Party Health and Safety audits
- o Health and Safety Training

A senior member of the management team has overall responsibility for health and safety supported by safety committees composed of management and employee representatives.



Product Safety

Kakuzi PLC is committed to the supply of quality and safe products. Our Food Safety Management System has incorporated Hazard Analysis Critical Control Points (HACCP) principles, Prerequisite Programmes (PRPs) and Operational Prerequisite Programmes (OPRPs), which ensure that our food products meet consumer safety requirements, as a minimum.



Product Identification and Traceability

To ensure the final product can be traced from the delivery of the raw materials, through the processing/packing plant to the final despatch to the consumer of our Macadamia, avocado and blueberries.



Sexual Harassment

This policy ensures that the work environment is free from and does not tolerate sexual harassment of any kind. The policy has an inbuilt mechanism through the Sexual Harassment Awareness Reporting and Prevention (SHARP) programme that assures all employees, job applicants, clients, customers or any other stakeholder of the right to be treated with dignity and of the avenues available for confidentially reporting such cases, should they occur.



Labour Relations

Employees who work with Kakuzi are treated with dignity and their well-being is always a priority. There is full compliance with the Kenya Labour Laws. This means we ensure no forced, bonded or prison labour is employed, we observe the legal working age, and pay wages that meet or exceed industry or legal national minima. The company fully participates in collective bargaining agreements as stipulated in law.

OUR ACCREDITATIONS



RAINFOREST ALLIANCE

Our tea estate in Nandi Hills has socio-environmental management systems and processes covering ecosystem conservation, wildlife protection, fair treatment and good working conditions for workers, integrated waste management and good community relations.



FSSC 22000

The Avocado Packhouse and Macadamia Cracking Plant have established Food Safety Management systems to handle avocados and macadamia from the field through to dispatch ensuring the product is fit for human consumption. Systems are in place to ensure that there is full traceability back to the farm.



GLOBAL G.A.P.

With the Global G.A.P standard we can reassure our customers that our food products are produced with minimal detrimental impact to the environment with little use of chemicals and that we take a responsible approach to worker health and safety and animal welfare.



HALAL CERTIFICATION

Our beef products are Halal certified.



DIAMOND MARK OF QUALITY

Our treated wooden poles have been granted the mark of quality based on excellent performance of the product.

At the time of launching this report, there are ongoing investigations on allegations of Human Rights abuse at Kakuzi. We are cooperating fully with the process.



FOR MORE INFORMATION
www.kakuzi.co.ke