



SUSTAINABILITY REPORT 2024

PROMOTING
NATURAL
FOOD COLOUR
FOR
SUSTAINABLE
GROWTH



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I. Glossary

CSR	Corporate Social Responsibility
CSRD	Corporate Sustainability Reporting Directive
DEFRA	Department for Environment, Food & Rural Affairs.
EMC	Executive Management Committee
EMCA	Environmental Management and Coordination Act (Kenya)
EPA	Environmental Protection Agency
EPR	Extended Producer Responsibility
ERM	Enterprise Risk Management
ESG	Environmental, Social, and Governance
ESRS	European Sustainability Reporting Standards
EU	European Union
FMS	Food Management System
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas (Emissions)
GRI	Global Reporting Initiative
HACCP	Hazard Analysis and Critical Control Points
ILO	International Labour Organization
ISO	International Organization for Standardization
KBL	Kenya Bixa Limited
KEBS	Kenya Bureau of Standards
KPLC	Kenya Power and Lighting Company
NEMA	National Environmental Management Authority
OHS	Occupational Health and Safety
OSH	Occupational Safety and Health
OSHA	Occupational Safety and Health Act
QMS	Quality Management System
SDGs	Sustainable Development Goals
SGL	Sovereign Group Limited
UDHR	Universal Declaration of Human Rights
UN SDGs	United Nations Sustainable Development Goals
UNGC	United Nations Global Compact

2. About This Report

This is a subsequent Sustainability Report for Kenya Bixa Limited for the fiscal year 2024. This sustainability report covers the non-financial aspects within the organization and complements the other financial and annual reports. Being a subsequent report, the previous year (2023) non-financial aspects are also covered for progress reporting and comparison.

The main aim of this sustainability report is to capture and provide a clear, transparent, and balanced overview of Kenya Bixa Limited's operations, impacts, and performance during the fiscal year ended December 2024.

The scope of this sustainability report covers Kenya Bixa Limited operations in Tiwi, Ukunda, Kwale County in the South Coast of Kenya, including the office and factory located.

To enrich the preparation of this report, we actively sought input from different levels of stakeholders including the board, shareholders, employees, farmers, administrators, and the community surrounding the farms.

This collaborative approach integrated diverse perspectives and concerns, strengthening the report's dedication to delivering a genuinely inclusive representation of our impact.

The information presented in this sustainability report is based on the available data, and efforts have been made to ensure accuracy, reliability and transparency in accordance with the Global Reporting Initiative (GRI) standards, 2021. This report also references the UN Global Compact requirements, Sustainable Development Goals and European Sustainability Reporting Standards.

Statement of Use

Kenya Bixa Limited has prepared and reported in accordance with the GRI Standards, 2021 for the period beginning January 2024 and ending December 2024. Our GRI content index is available on page 91.

3. Our Leadership Statement

3.1 Statement from our Board Chairman

Esteemed shareholders, valued Stakeholders and dedicated Bixa team members,

It is with immense pride and a deep sense of responsibility that I present Kenya Bixa Limited's Sustainability Report for the fiscal year ended in December 2024. This report is a testament to our unwavering commitment to transparency, accountability and the holistic integration of sustainability into every facet of our operations. As a subsequent report, it also offers a clear view of our progress and comparisons with the previous year (2023).

In 2024, we continued to strengthen our leadership structures and corporate governance frameworks, upholding ethical business conduct and safeguarding the interests of all our stakeholders. Our leadership is fundamentally rooted in accountability, integrity and responsible stewardship, enabling us to anticipate risks, seize new opportunities and deliver long-term value for our shareholders, employees, communities and the environment. The Board of Directors, as the highest governance body, has ultimate authority and accountability for setting our strategic direction and ensuring adherence to our legal, ethical and sustainability obligations.

The year 2024 marked a transformative period for our company, as we took bold steps toward aligning our operations with global sustainability and governance standards. A key highlight was the launch of our inaugural ESG Sustainability Report for 2023, reflecting our dedication to transparency, environmental responsibility, and social impact.

However, like many in the agricultural sector, we encountered challenges driven by unfavorable weather patterns in the coastal region, which significantly reduced the availability of Bixa seed, underlining the urgent need for supply chain-resilient strategies. The increasing global demand for natural and sustainable ingredients presents a timely opportunity to strengthen our market position. Furthermore, ongoing field trials in other regions of Kenya also open the door to geographical diversification and supply chain resilience.

Another significant milestone was the development of our robust Sustainability Strategy Plan for the period 2025-2030. This comprehensive strategy outlines our commitment to ethical conduct, respect for human rights, environmental protection, and contributing to sustainable development through practices and business relationships aligned with universally accepted principles of responsible business conduct. This strategy is built upon four key pillars:

- **Environmental Stewardship:** With a strong focus on reducing carbon emissions, improving operational efficiency, and conserving biodiversity. Notably, we have set ambitious goals to achieve a 30% reduction in Scope 1 and 2 emissions by 2030 and a 20% improvement in energy efficiency by 2028 from a 2024 baseline. We also took a critical step in 2024 by quantifying our carbon footprint, which is fundamental to our future strategies.
- **Our People:** Dedicated to addressing labor practices and conditions, fostering training and education, promoting gender equality, diversity, and inclusion, strengthening community relations, and ensuring product quality and safety. Our employees are the driving force behind our vision and we are committed to providing a safe and healthy working environment for all.
- **Governance and Leadership:** Upholding the highest standards of ethics, integrity, and anti-corruption practices across our operations. Our zero-tolerance approach to unethical behaviour is reinforced by policies, training and a commitment to transparency.
- **Economic Sustainability:** Prioritizing the management of financial risks, expanding and diversifying our products and markets and driving inclusive economic growth through strategic investments.

Our journey to sustainability is deeply intertwined with the vibrant connections we forge with all our stakeholders. We actively sought input from our board, shareholders, employees, farmers, administrators and the surrounding community to enrich the preparation of this report, ensuring it delivers a genuinely inclusive representation of our impact. We are dedicated to transparent and regular reporting on our sustainability performance, fostering accountability and building trust.

As we look to the future, Kenya Bixa Limited is committed to translating our recently approved sustainability strategy into tangible action. We are now on high gear to drive implementation with purpose, through innovation, collaboration, consistent monitoring and evaluation, and continuous improvement. Our focus is on aligning our operations, partnerships, and practices to deliver measurable impact and ensure we achieve the goals and targets we have set for a more sustainable, inclusive, and resilient future.

We remain dedicated to transforming into a global leader in sustainable natural colorants. This will be achieved by investing in robust governance systems, nurturing an inclusive and high-performing culture, and championing sustainability as a source of innovation, resilience and shared value. We are confident that through these concerted efforts, we will continue to deliver long-term shared value for all.

Thank you for your continued trust and support.

Sincerely,



Joshua Kulei
Board Chairman,
Kenya Bixa Limited

3.2 Statement from our Managing Director

Esteemed colleagues, valued partners, and dedicated team,

It is with great pleasure and a sense of collective accomplishment that I present Kenya Bixa Limited's 2024 Sustainability Report. This report is a clear reflection of our joint efforts and commitment to embedding sustainable practices throughout our operations.

2024 was a year of operational, technical advancement, and strategic planning. We initiated our transition to Food Safety System Certification, a globally recognized standard that will elevate our food safety management practices. Our QMS recertification demonstrated continued adherence to quality control and assurance measures. On the environmental front, we made tangible progress in our sustainability efforts through the acquisition of a briquette machine. This investment supports our transition to cleaner energy sources and contributes to waste-to-value solutions, reducing dependence on traditional biomass and improving energy efficiency in our processing operations and beyond.

However, 2024 was not without its challenges. Our production volumes were adversely impacted by the reduced availability of Bixa seed raw materials, caused by unfavorable climate conditions in the coastal growing regions. This disruption emphasized the need for urgent interventions around raw material security, including expanding our sourcing geography and strengthening farmer resilience to climate shocks.

In response, we initiated field trials in non-traditional growing regions across Kenya. These trials are promising and, if successful, will significantly increase our raw material base. In parallel, we participated in the 2024 Food Ingredients Exhibition in Frankfurt, which presented an opportunity to showcase our products and engage potential buyers in the global natural ingredients market.

Our team demonstrated remarkable dedication in driving our sustainability agenda forward. We have continued to strengthen our operational efficiency, as evidenced by our efforts in **Environmental Stewardship**. Our focus on energy efficiency and waste-to-value initiatives, such as piloting biogas and briquette production from Bixa waste, demonstrates our commitment to minimizing our environmental impact directly through our manufacturing processes.

Central to our success is **Our People**. We firmly believe that our employees are the driving force behind our vision to be a leading producer of healthy and natural food solutions. In 2024, we maintained our unwavering commitment to providing a safe and healthy working environment, adhering strictly to occupational safety and health regulations. Our dedicated Health and Safety Committee, regular inspections, risk assessments, and continuous training ensured a safety-first culture. We were also deeply committed to fair labor practices, gender equality, diversity and inclusion, continuously fostering an environment where every team member can thrive and contribute to our shared goals.

Our **Stakeholder Engagement** efforts, particularly with our out-grower farmers and local communities, remained paramount. We continued to strengthen supply chain resilience and promote sustainable agricultural practices through field visits, training programs and fair payment mechanisms. This collaborative approach ensures that our growth positively impacts the livelihoods of those in our supply chain and fosters strong community relations. Our robust grievance mechanism, accessible to all stakeholders, further underscored our commitment to the transparent and fair resolution of concerns.

The **Risk Management** framework was vital for navigating the complexities of the global manufacturing landscape. We proactively identified and addressed environmental, social, and governance (ESG) risks related to our farming and manufacturing processes, integrating these factors into our daily operations and decision-making. This comprehensive approach allowed us to safeguard our production capabilities and seize opportunities for sustainable growth.

As we look ahead, the implementation of our 2025-2030 Sustainability Strategy Plan will guide our continued transformation. This plan is not just a strategy; it's a living document that will drive innovation, enhance our resilience and create shared value across our entire ecosystem. We are committed to achieving our goals through continuous improvement, ethical conduct, and a relentless pursuit of excellence in all we do.

I extend my sincere gratitude to every member of the Kenya Bixa team, our loyal farmers, our valued customers and all our partners for your unwavering dedication and trust. Together, we are building a more sustainable future, transforming lives through innovative and sustainable annatto products.

Sincerely,



Dr. David Kisa Cheruiyot
Managing Director,
Kenya Bixa Limited

Kenya Bixa Limited



WARNING

RECEPTION

WASH YOUR HANDS WITH SOAP & RUNNING WATER.
DON'T FORGET TO WEAR FACE MASK.
SANITIZE YOUR HANDS FREQUENTLY.
AVOID CLOSE CONTACT AND SHAKING.

Kenya Bixa Limited
Manufacturing
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4. About Kenya Bixa Limited

Kenya Bixa Limited (KBL), a member of the Sovereign Group of companies (SGL), is an agro-based company headquartered in Tiwi, Ukunda, Kwale County, along Kenya's South Coast.

With over four decades of experience in growing Bixa tree (*Bixa Orellana*) and processing its seeds to extract annatto, a natural pigment widely used in the food, pharmaceutical and cosmetics industries, the company has earned a strong global reputation as a reliable processor and exporter of high-quality annatto colours and by-products that consistently meet international standards.

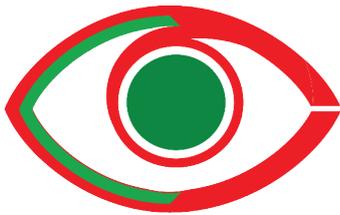
The company commenced operations in 1979 and was initially designed to process 250 Tons of Bixa seeds per year but has since been upgraded to a processing capacity of 3000 Tons of raw materials per year.

Our operations are in Kwale County, where we manage a 1,200-acre nuclear farm in Shimoni. Processing and administrative activities are centralized at our Tiwi facility, which houses both the annatto extraction plant and the company's headquarters.

As part of our inclusive sourcing model, we work closely with a growing network of out-grower farmers. In 2024, we partnered with over 3,000 smallholder farmers across the coastal counties of Kwale, Kilifi, and Lamu, supporting the cultivation of Bixa trees across an estimated 9,000 acres.

Our Vision, Mission and Core Values

VISION



To be the leading producer and supplier of healthy and natural food solutions

MISSION



To transform lives through the production of innovative and sustainable annatto products

CORE VALUES



- *Professionalism*
- *Responsible Ci1zenship*
- *Collabora1ve Team Spirit*
- *Crea1vity and Innova1on*
- *Customer Focus*
- *Diversity*

Our Products

We have over four decades of experience in growing Bixa tree (*Bixa Orellana*) and processing its seeds to extract annatto. We have earned a strong global reputation as a reliable processor and exporter of high-quality annatto colours and by-products that consistently meet international standards.

Products	Description
<p>Norbixin Powder</p> 	<p>Norbixin is a natural pigment extracted from annatto seeds, known for its vibrant orange to red hue. It is widely used as a food colouring. Being water-soluble and rich in antioxidant properties, Norbixin serves not only as a colouring agent but also offers potential health benefits in various applications</p>
<p>Bixin Powder</p> 	<p>This natural pigment is derived from the seeds of the annatto plant and belongs to the carotenoid family, the plant pigments responsible for the vibrant orange and red hues found in many fruits and vegetables. Bixin powder, the primary carotenoid in annatto seeds, is oil-soluble and widely extracted for use as a colorant in the food, cosmetics, and textile industries</p>
<p>Annatto Oil</p> 	<p>Annatto oil is a by-product of extracting norbixin or bixin powder from annatto seeds. It is rich in carotenoids, which give it its distinctive colour and antioxidant properties.</p>
<p>Annatto Colors</p> 	<p>These are produced by diluting norbixin or bixin powder. Their hues range from red to yellow, making them widely used in the food, cosmetics, and textile industries</p>

Our product range has diverse applications across multiple industries. They are widely used to impart vibrant shades ranging from red to yellow in dairy products, meat products, beverages, pharmaceuticals, confectionery, and beauty products.

Our products are primarily supplied to international food processors, cosmetics manufacturers, and artisanal producers who value natural ingredients. We have an established market presence across Eastern, Northern, and Southern Africa, as well as in Europe, North America, and Asia.

Associations and Affiliations

Kenya Bixa Limited is actively engaged in a network of industry and policy platforms that shape strategic business practices and foster advocacy for fair and enabling business environments. Our associations and affiliations include:

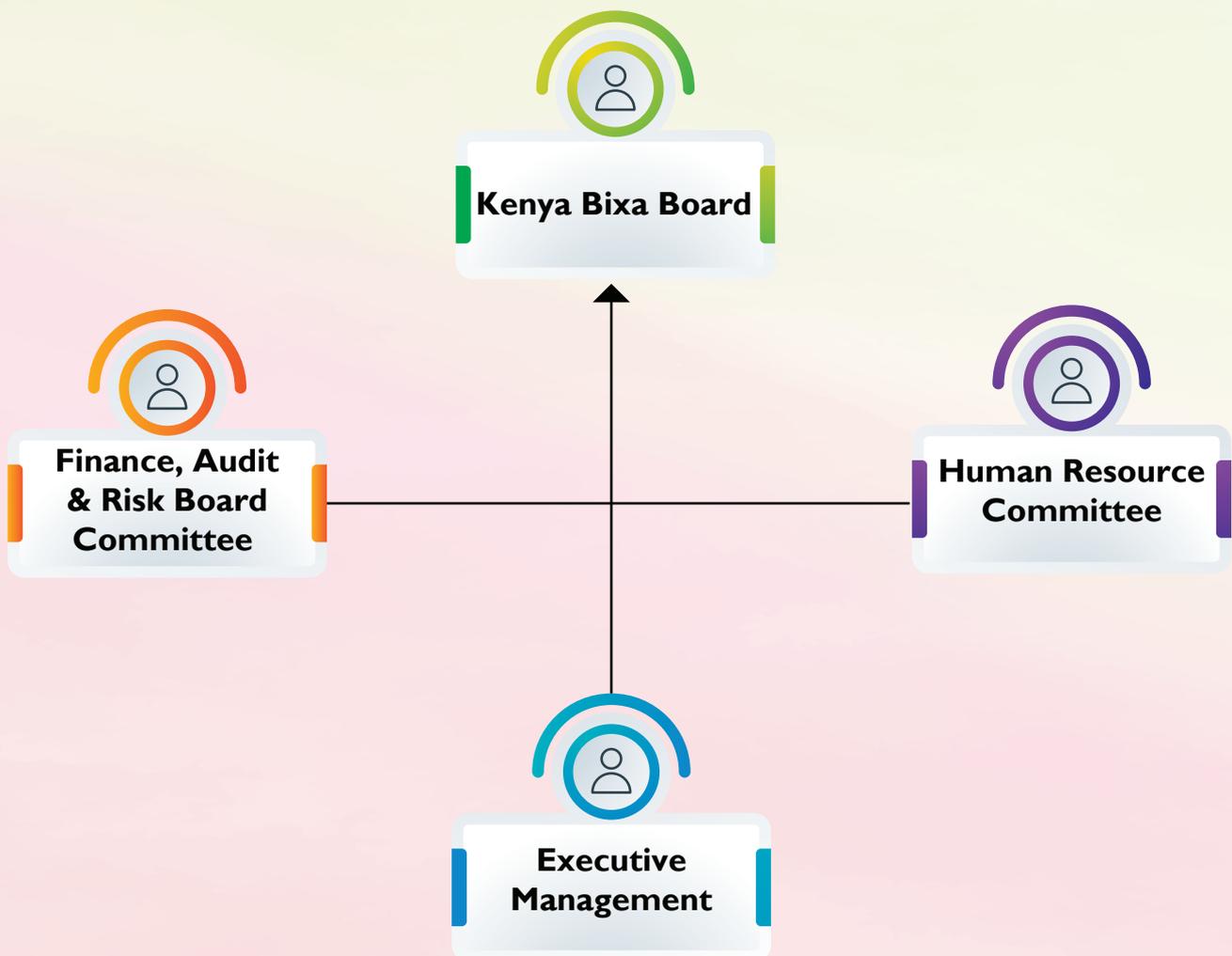
- UN Global Compact (UNGC)
- Kenya Private Sector Alliance (KEPSA)
- Agriculture and Food Authority (AFA)
- Federation of Kenya Employers (FKE)
- National Employment Authority (NEA)
- National Industrial Training Authority (NITA)
- Central Organization of Trade Unions (COTU)

Additionally, our leadership plays an active role in regional industry representation. Our Managing Director continues to serve as the FKE Regional President for the Coastal Region in Kenya.

5. Our Leadership

Strong, transparent, and inclusive governance is the backbone of our sustained growth and resilience. In 2024, we continued to strengthen our leadership structures and corporate governance frameworks to uphold ethical business conduct, safeguard stakeholder interests, and drive our commitments to sustainability and shared prosperity.

Our leadership is rooted in accountability, integrity, and responsible stewardship. We recognize that good leadership structures enable us to anticipate and manage risks, seize new opportunities, and deliver long-term value for our shareholders, employees, communities, and the environment.



Our Board and Governance Structure

The Board of Directors is the highest governance body at Kenya Bixa Limited. It has ultimate authority and accountability for setting the company's strategic direction, overseeing management performance, monitoring financial and non-financial risks, and ensuring that the company adheres to its legal, ethical, and sustainability obligations.

Our Board consists of five (5) members. Two directors are independent appointees selected through the Sovereign Group's Nomination and Corporate Governance & Ethics Committee. Two directors are majority shareholders who also hold executive roles within the Sovereign Group Ltd. The fifth seat is held by our Managing Director, who oversees day-to-day operations and acts as the principal link between the Board and management.

The Board Chairperson also serves as the Chair of the Sovereign Group Ltd, ensuring close alignment between group-level and subsidiary-level governance. Independence is safeguarded through the roles and responsibilities defined in our Board Charter, including clear procedures for identifying and managing potential conflicts of interest.

Board appointments follow a rigorous, merit-based process guided by our Board Charter, which sets clear expectations regarding skills, professional qualifications, personal integrity, independence, and alignment with our corporate values. While the current Board does not yet meet our desired gender diversity aspirations, we remain committed to improving representation over time and continue to integrate diversity, equity, and inclusion considerations into our nomination process.

The Board of Directors is entrusted with critical oversight responsibilities, which include but are not limited to:

- Selection, appointment and removal of Directors
- Overall development and oversight of Company strategy
- Structure and capital of the company
- Approval for all the key financial decisions of the company
- Risk management and internal controls
- Corporate policies to support the business
- Driving the corporate governance agenda
- Corporate sustainability and sustainable development
- Corporate social responsibility

- Attracting, retaining and motivating company staff
- engagement and addressing significant concerns raised by stakeholders

In 2024, the Board convened four times as per our annual schedule, with additional meetings held as needed to address emerging issues and opportunities. The Board operates through dedicated committees, which support effective governance and decision-making bringing focused attention to specific areas of oversight. These include:

- **Finance, Audit and Risk Committee:** Provides independent oversight of financial reporting, internal controls, compliance, and risk management, including reviewing audit findings and ensuring corrective actions.
- **Human Resource Committee:** Oversees and reviews the company's human resource strategy, policies, and practices to ensure alignment with business goals, supports diversity and talent development, and compliance with legal and ethical standards, while advising the Board on senior appointments, compensation and corporate social responsibility.

Each committee reports quarterly and submits an annual performance report to the Board.

Day-to-day operations are led by our Managing Director, who is accountable to the Board for executing the strategic plan, delivering financial and sustainability performance, and ensuring that operational decisions align with Board directives.

We concluded our 2019–2023 Strategic Plan and began developing our new five-year strategy. The next strategic cycle will sharpen our competitive positioning as a trusted producer of natural colorant solutions while embedding sustainability leadership as a core pillar of our business model.

Sustainability Oversight and Accountability

Responsible stewardship of our economic, environmental, and social impacts is a fundamental aspect of our governance. To deliver on this commitment, we have developed a robust sustainability strategy for the period 2025 -2030 to be integrated into our business strategy. The following sustainability pillars define the primary pathways through which we will deliver long-term shared value within this strategic period:

1. **Environmental Stewardship** with a strong focus on reducing carbon emissions, improving operational efficiency, and conserving and protecting biodiversity.
2. **Our People** which focuses on all our stakeholders and protection of human rights by addressing labour practices and conditions; training and education; gender equality, diversity and inclusion; community relations and product quality and safety.
3. **Governance and Leadership** that upholds the highest standards of ethics, integrity, and anti-corruption practices across our operations.
4. **Economic Sustainability** prioritizing the management of financial risks, expanding and diversifying our products and markets, and driving inclusive economic growth through strategic investments.

The Board of Directors has formally endorsed our sustainability strategy plan and holds ultimate accountability for providing strategic oversight throughout its implementation. This includes monitoring progress against defined objectives and ensuring alignment with our long-term vision. In addition, the Board reviews and approves our material sustainability topics to ensure they reflect our most significant impacts and stakeholder concerns. The Board also reviews, endorses, and signs off on our annual sustainability report, ensuring it meets the highest standards of accuracy, transparency, and relevance.

Our leadership remains dedicated to driving Kenya Bixa Limited's transformation into a global leader in sustainable natural colorants by investing in robust governance systems, nurture an inclusive and high-performing culture, and champion sustainability as a source of innovation, resilience, and shared value.

6. Risk Management



In today's dynamic global manufacturing landscape, marked by fluctuating market demands, evolving regulatory environments, and increasing environmental concerns, robust risk management is principal to Kenya Bixa Limited's sustainability and long-term success. Operating across the diverse American & European markets, we recognize our responsibility to not only protect our operations but also to contribute to the resilience and sustainable to the communities we serve.

Enterprise Risk Management Framework

Our Enterprise Risk Management (ERM) framework is specifically designed to address the unique challenges of the manufacturing industry. Anchored in strong governance structures and aligned with international best practices, our framework enables us to proactively identify, assess and manage a wide range of risks, including supply chain disruptions, raw material price volatility, regulatory changes, technological advancements and environmental impacts. By fostering a culture of risk awareness and operational resilience, we aim to safeguard our production capabilities and capitalize on opportunities for sustainable growth and positive societal impact across our region. Our ERM approach is driven by our commitment to 'be a leading producer and supplier of healthy & natural food solutions' and creating value for our stakeholders through optimized risk management.

Our Risk Assessment Methodology

We employ a comprehensive and adaptable risk assessment methodology to navigate the complex risk landscape of manufacturing. This data-driven approach combines quantitative analysis, qualitative assessments and scenario planning.

We leverage advanced modelling techniques and simulations to anticipate emerging threats and opportunities, enabling proactive decision-making and enhancing strategic resilience. Through strong governance and cross-functional collaboration, Kenya Bixa Limited remains committed to safeguarding our manufacturing operations, maximizing stakeholder value and driving sustainable growth within our business communities.

ESG Risk Framework

We are proactive in identifying, assessing and addressing Environmental, Social, and Governance (ESG) risks related to our farming & manufacturing processes. We understand that our long-term success is intrinsically linked to the well-being of our environment, the environment we operate in and our ethical business practices. Our commitment to responsible farming & manufacturing is unwavering, especially in the evolving context of our region. We prioritize sustainable farming practices to minimize environmental and social impacts while safeguarding stakeholder interests. Recognizing the significant consequences of unsustainable farming & manufacturing practices, we have implemented a robust ESG risk management framework:

- **Board-Approved Sustainability Strategy:** This outlines our long-term goals and action plans for integrating sustainability principles into our farming & manufacturing operations.
- **Board-Approved Sustainability Risk Management Policies and Procedures:** These define our risk assessment methodology, mitigation strategies and reporting processes for ESG risks.
- **Integrated ESG Screening:** ESG factors are integrated into our farming, procurement, production, and supply chain management processes, ensuring we prioritize sustainable and responsible sourcing and manufacturing.
- **ESG Integration into Business Management Systems:** We consider ESG factors throughout our business administration systems, promoting responsible practices across all departments.

Our ESG Risk Management principles are:

- We apply a holistic approach to ESG risk management, ensuring a comprehensive understanding of interconnected environmental, social, and governance factors that influence our farming, manufacturing, operations and the business communities we serve.
- We actively identify and assess potential ESG risks, considering both current and future challenges to proactively manage our impact.
- We implement mechanisms for ongoing monitoring of ESG risks and performance, with transparent reporting to stakeholders on a regular basis.
- We develop specific mitigation plans for identified ESG risks and explore opportunities to enhance positive impacts, such as investing in sustainable farming and manufacturing technologies.
- Our decision-making processes integrate ESG factors to identify risks and opportunities that impact our long-term sustainability. From strategic planning to daily operations, we consider ESG criteria in assessing the viability and impact of our actions on the environment, society and governance structures.
- We value open communication and actively seek the perspectives of our stakeholders, including employees, farmers, customers, suppliers and the communities we operate within. We conduct regular stakeholder forums to ensure our actions align with their expectations and contribute positively to shared values.
- We stay informed about relevant ESG-related regulations and are committed to complying with all applicable standards. Our policies and practices evolve in response to changing legal requirements and industry norms.

7. Sustainability Strategy Plan

Kenya Bixa has developed a robust sustainability strategy for the period 2025-2030.

The sustainability strategy outlines Kenya Bixa's commitment to ethical conduct, respect for human rights and the environment, and contribution to sustainable development through practice and business relationships that align with universally accepted principles of responsible business conduct. It draws from our business objectives and various global, regional and national sustainability frameworks, standards and guidelines, which have informed our approach to sustainability as well as setting of clear, measurable goals and targets across priority areas, ensuring that our commitments are actionable.

In developing the strategy, we undertook a robust sustainability risk materiality assessment for the business to identify and prioritise the economic, environmental, social, and governance risks and impacts that are most significant to our business and stakeholders. Further, it takes a proactive approach to risk management by identifying key sustainability risks and opportunities, which are integrated into the enterprise risk management system for mitigation and management.

The strategy is operationalised through an implementation plan that integrates sustainability considerations into everyday operations, business processes and governance structures to ensure accountability at all levels. Through continuous monitoring, evaluation, and reporting, Kenya Bixa will ensure that the strategy remains responsive to changing expectations and emerging sustainability trends and requirements.

Noting that the active engagement of our stakeholders, including employees, out-grower farmers, local communities, regulators and customers, is fundamental to the successful delivery of the strategy, with strong strategic leadership from the Management, this inclusive approach ensures that sustainability is embedded in decision-making processes and remains pertinent.

The strategy also emphasizes building and leveraging strategic alliances with key partners for accelerated impact, recognizing that partnerships are vital to achieving sustainability ambitions.

The following sustainability pillars define the primary pathways through which we will deliver long-term shared value within this strategic period:

1. **Environmental Stewardship:** We are committed to protecting and restoring the ecosystems that sustain our business. By addressing land degradation, deforestation, climate change, and unsustainable practices, we enhance productivity, drive innovation, and secure the long-term resilience of our supply chains.
2. **Our People:** Our people are central to our success. We prioritize their safety, development, and empowerment of our people, ensuring inclusive growth, respect for human rights, and shared value creation across our workforce, out-growers, suppliers, and communities.
3. **Governance, Ethics & Leadership:** We uphold ethical business practices, strong governance, and principled leadership. This includes zero tolerance for corruption, robust risk management, data protection, and compliance systems that reinforce accountability and trust.
4. **Economic Sustainability:** We aim to create long-term economic value for our stakeholders by building a financially resilient and inclusive business. Through sustainable production and local investments, we drive market relevance, empower communities, and support stable livelihoods.



7.1 Sustainability Commitments

In order to deliver on our sustainability strategy, we have committed to a set of initiatives to drive responsible sourcing, reduce our environmental footprint, promote social equity, and ensure long-term economic resilience across our operations and value chains.

Our ESG commitments include:

- **Advance environmental stewardship:** We commit to reducing carbon emissions across our operations by 30% by 2030, improving energy efficiency by 20% by 2028, and safeguarding ecosystems by preventing land degradation, deforestation, and unsustainable farming practices.
- **Innovation for operational efficiency:** We are committed to investing in research and development to drive innovative, sustainable manufacturing solutions and foster a culture of continuous improvement.
- **Waste Reduction and Recycling:** We are implementing comprehensive strategies to minimize waste generation, promote recycling, and advance a circular economy.
- **Uphold ethical labour practices and human rights:** We will ensure decent working conditions, fair labour practices, and respect for human rights for all employees and workers in our value chain.
- **Supply Chain Sustainability:** We commit to implementing sustainable practices throughout our supply chain, focusing on ethical sourcing of materials and minimizing environmental impact, ensuring that our operations support local economies and promote responsible resource management.
- **Community Engagement:** We intend to deepen our partnerships with local communities through active engagement in initiatives that enhance social well-being and drive economic development. This includes identifying and supporting projects that address community-specific needs.
- **Risk Management:** We are committed to identifying, monitoring, and managing sustainability risks by fully integrating them into our enterprise risk management system. This ensures that we remain resilient, proactive, and prepared for emerging challenges.
- **Transparent Reporting:** We are dedicated to transparent and regular reporting on our sustainability performance, ensuring accountability and building trust with our stakeholders. This includes clear updates on our ESG performance and progress towards our sustainability targets.

- **Regulatory Compliance:** We will continue to uphold full compliance with all applicable laws and regulatory requirements, ensuring our operations meet the highest standards of legal and ethical responsibility.

7.2 Our Key ESG Policies and Procedures

Aligned with these commitments, we have put in place various policies and procedures that are currently governing how we identify, prevent, mitigate and account for our sustainability impacts. They include:

Policy/Procedures	Description
Environmental Management Policy and Procedures	<p>This policy document entails the specific policy commitments and relevant procedures referencing the Environmental Management and Coordination Act (EMCA) of 1999 and its regulations.</p> <p>It identifies key environmental impacts and defines measures to mitigate them, ensuring sustainability is embedded in daily operations. The commitments are reinforced through regular departmental briefings.</p>
Occupational Health and Safety (OSH) Policy and Procedures	<p>This policy document outlines specific commitments and relevant procedures, referencing the Occupational Safety and Health Act (OSHA) of 2007 along with its regulations. The policy highlights the specific OSH risks and provides guidelines for their management, including protocols for handling personal injuries and fire emergencies.</p> <p>The policy and procedures apply to all employees and the expectations are communicated during the regular departmental meetings.</p>
Human Rights and Labor Policy	<p>Referencing international frameworks such as the UN Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights, and ILO conventions, this policy promotes ethical business practices and fair labour conditions.</p> <p>It addresses the protected human and labour rights, including diversity and inclusion, safe working conditions, the prohibition of forced and child labour and freedom of association and the right to collective bargaining.</p> <p>The policy applies to all the stakeholders within our operations and business relationships, expecting suppliers and partners to uphold these human rights principles. The expectations are communicated to the suppliers through the Supplier Code of Conduct.</p>

Policy/Procedures	Description
Employee Code of Conduct	This Code outlines the standards of professional and ethical behaviour expected from employees in their interactions internally and externally. Rooted in the company's core values, it fosters integrity and accountability and is communicated during employee onboarding.
Anti-Harassment Policy and Procedure	This policy clearly defines unacceptable behaviours, which cover all forms of harassment, including sexual harassment and bullying and sets out the responsibilities of employees to maintain a respectful workplace. It includes practical reporting mechanisms that guarantee confidentiality when handling cases.
Anonymous Reporting Policy and Procedure	This policy provides clear channels and guidance for employees to confidentially raise concerns or grievances related to company activities. It describes the reporting procedure, available reporting channels, and our commitment to handling all cases fairly and confidentially, consistent with our core values.
Whistleblowing Policy and Procedure	This framework establishes clear steps for reporting violations of the Code of Conduct or any actions that could damage the company's reputation. It works alongside the Anonymous Reporting Policy, offering an additional safeguard for reporting misconduct and ensuring concerns are addressed effectively. It applies to employees and covers the company's activities and relationships
Food Safety and Quality Policy	Rooted in both national and international food safety standards, this policy governs how we manage product quality from farm to consumer. It defines strict commitments that are upheld through our comprehensive food safety and quality management system. Communication of expectations extends to employees through meetings and to suppliers via our Supplier Code of Conduct.
Anti-corruption and Anti-bribery Policy	In line with national legislation, this policy reinforces our zero-tolerance stance on bribery and corruption. It requires employees to uphold the highest standards of integrity in all interactions with stakeholders and explicitly prohibits political contributions, ensuring our commitment to ethical business conduct.
Fair Competition Policy	This policy draws on national competition laws to promote healthy market practices.

Policy/Procedures	Description
	<p>It guides employees on fair pricing, compliance with trade regulations, non-discrimination, boycotts, exclusionary practices and protection of trade secrets and intellectual property.</p> <p>Staff in procurement, supply chain, and sales receive targeted training to effectively implement these principles.</p>
Risk Management Strategy and Policies	<p>Our risk management approach is supported by a comprehensive strategy and related policies that identify, assess, and prioritise potential risks.</p> <p>Aligned with industry best practices, this framework covers strategic governance, operational, financial, compliance, environmental, and social risks, promoting a culture of proactive risk awareness across the company.</p> <p>It guides the management and the responsible staff in fulfilling their risk management duties.</p>
Corporate Social Responsibility	<p>This policy sets out our principles for community engagement and investment in local development.</p> <p>It provides a clear framework for the CSR Committee and community representatives, outlining criteria for selecting and supporting initiatives that align with our commitment to shared value. Expectations are communicated through community meetings and public forums.</p>

8. Stakeholder Engagement

At Kenya Bixa, our journey to success is intertwined with the vibrant connections we forge with all our stakeholders, both within our organization and across the wider community. Fostering meaningful engagement with these key partners isn't just a strategy; it's at the heart of how we do business. It ensures we maintain open lines of communication, build genuine trust and achieve shared prosperity together.

We proactively identify and involve individuals and groups whose interests are directly or indirectly impacted by our activities, decisions and performance. Equally, we recognize the influence these stakeholders have on our operations. Through a continuous and structured process, we map out our impacts and the corresponding stakeholders, ensuring that our engagement remains relevant, transparent and inclusive.

By embedding stakeholder engagement into our corporate culture, we drive long-term business success while maintaining accountability and transparency.



Our Stakeholder Engagement Approach

We actively engage a broad range of stakeholders including shareholders, Out-grower farmers, employees, customers, suppliers, regulators, administrators and local community.

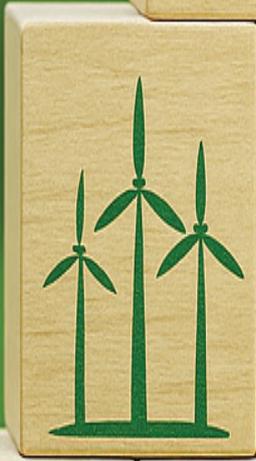
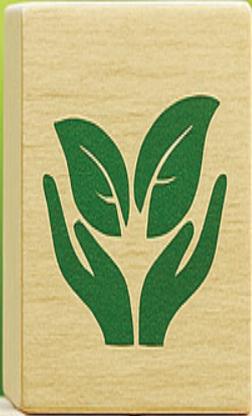
Our approach focuses on:

- **Open and Transparent Communication:** We maintain regular engagement with our stakeholders, fostering trust, credibility, and stronger relationships. This proactive communication allows us to address concerns, mitigate potential conflicts, and enhance collaboration, strengthening our brand reputation and customer loyalty.
- **Inclusivity in Decision-Making:** We strive to incorporate diverse perspectives into our strategic decisions. By engaging various stakeholder groups, we gain valuable insights into potential risks and opportunities that might not be evident from an internal standpoint.
- **Alignment with Sustainability Goals:** We ensure that our sustainability initiatives reflect stakeholder expectations and values. This approach not only enhances our corporate responsibility efforts but also fosters partnerships and collaborations that drive long-term sustainable development.
- **Regulatory and Policy Engagement:** We work closely with government authorities and regulatory bodies to anticipate and address potential policy changes. By maintaining compliance and staying ahead of evolving regulations, we minimize operational risks and reinforce our commitment to responsible business practices.
- **Securing and Maintaining Social License:** We recognize the importance of community acceptance and stakeholder trust. By continuously engaging with local communities and key partners, we sustain long-term support for our operations, ensuring business continuity and shared prosperity

Table: Summary of interactions with stakeholders in 2024

Stakeholder	Why we engage	Ways of engagement	Stakeholder Interest	Frequency	Desired outcomes
Employees	<ul style="list-style-type: none"> To attract and retain top talent To develop employees to be brand advocates for Kenya Bixa To foster collaboration among teams To deliver excellent customer service To create opportunities for employees to realize their full potential. 	<ul style="list-style-type: none"> Anonymous feedback platforms Executive Management Committee Meetings for Senior Management Departmental face-to-face meetings Learning and development opportunities Human resources baraza Suggestion box 	<ul style="list-style-type: none"> Career advancement Competitive salary and benefits Training and development Conducive work environment 	Regularly	<ul style="list-style-type: none"> Increased productivity and performance. Better employee morale and job satisfaction. Reputation for staff development. Improved employee relations Enhanced synchronization of employee and company objectives. Lower turnover rates Improved teamwork
Out-growers Farmers	<ul style="list-style-type: none"> Strengthen supply chain resilience Promote sustainable agricultural practices Enhance income for farmers Build long-term partnerships 	<ul style="list-style-type: none"> Field visits and training Farmer cooperatives & groups Input and support programs Contracts & MOUs Grievance mechanism 	<ul style="list-style-type: none"> Fair and timely payments Access to training and inputs Long-term partnership assurance 	Regularly / Seasonally	<ul style="list-style-type: none"> Reliable raw material supply Improved farmer livelihoods Sustainable farming practices Strengthened community relation
Customers	<ul style="list-style-type: none"> Drive innovation in products and services Maintain high standards of quality assurance Enhance customer service and overall experience Prioritize product health and safety. Support environmental conservation efforts Ensure respect for human rights throughout the value chain. Promote sustainable packaging and minimize waste. 	<ul style="list-style-type: none"> Emails Customer service support. Reports. In-person engagement. Customers experience surveys. Customer satisfaction survey. Compliance handling mechanisms 	<ul style="list-style-type: none"> Affordable and accessible products Quality customer experience Adequate response to their needs 	Regularly	<ul style="list-style-type: none"> Enhanced customer satisfaction. Strengthen brand loyalty. Improve customer credit ratings. Boost customer retention. Elevate the overall customer experience. Deepen understanding of customer needs. Drive higher sales and revenue.

Stakeholder	Why we engage	Ways of engagement	Stakeholder Interest	Frequency	Desired outcomes
Shareholders	<ul style="list-style-type: none"> Provide insights into company management, corporate performance, business strategies, and governance practices. Maintain transparency and accountability to attract and retain shareholding. Update Shareholders on financial and non-financial performance, offering a comprehensive view of the company's overall financial health. Risks management Oversight of company strategic plan 	<ul style="list-style-type: none"> Board meetings Operational, financial and sustainability reports Email and telephone updates Engagement events. 	<ul style="list-style-type: none"> High returns on investment Transparency and strong corporate governance practices 	Quarterly	<ul style="list-style-type: none"> Strong and consistent financial & non-financial performance Regular communication with shareholders Enhanced risk mitigation. Enhanced return on investment and return on equity
Government & Industry regulators	<ul style="list-style-type: none"> To ensure compliance with all relevant laws and regulations. To build and maintain positive relationships with regulatory bodies and authorities. To contribute to the shaping regulatory policies within the packaging and manufacturing sector 	<ul style="list-style-type: none"> Compliance and Statutory reporting including income tax, VAT, PAYE, NSSF, etc Sustainability reports Direct engagement 	<ul style="list-style-type: none"> Ethical business practices Regulatory compliance 	Regularly	<ul style="list-style-type: none"> Compliance with applicable and relevant legislations and regulations Fair and ethical business practices Participation in influencing regulatory policies affecting the insurance industry
Suppliers and Partners	<ul style="list-style-type: none"> To foster collaboration and innovation of new products To provide regular performance feedback to suppliers. Ensure suppliers align with Kenya Bixa business and ESG requirements 	<ul style="list-style-type: none"> Annual Supplier review Suppliers code of conduct 	<ul style="list-style-type: none"> Long – term collaborative relationships Fair and transparent dealings 	Regularly Annually	<ul style="list-style-type: none"> Improved alignment with the company's sustainability strategy and requirements. Development of innovative products and improved service delivery
Local Community	<ul style="list-style-type: none"> To foster collaboration and innovation of new products Contribute to socio-economic development Promote environmental sustainability Build a social license to operate Enhance community well-being 	<ul style="list-style-type: none"> CSR programs Community barazas and forums Local hiring Environmental awareness campaigns Open-door communication channels 	<ul style="list-style-type: none"> Job creation and local investment Infrastructure development Environmental protection Support for social services 	Regularly / As needed	<ul style="list-style-type: none"> Community ties Local jobs Reputation - Support



9. Materiality Assessment

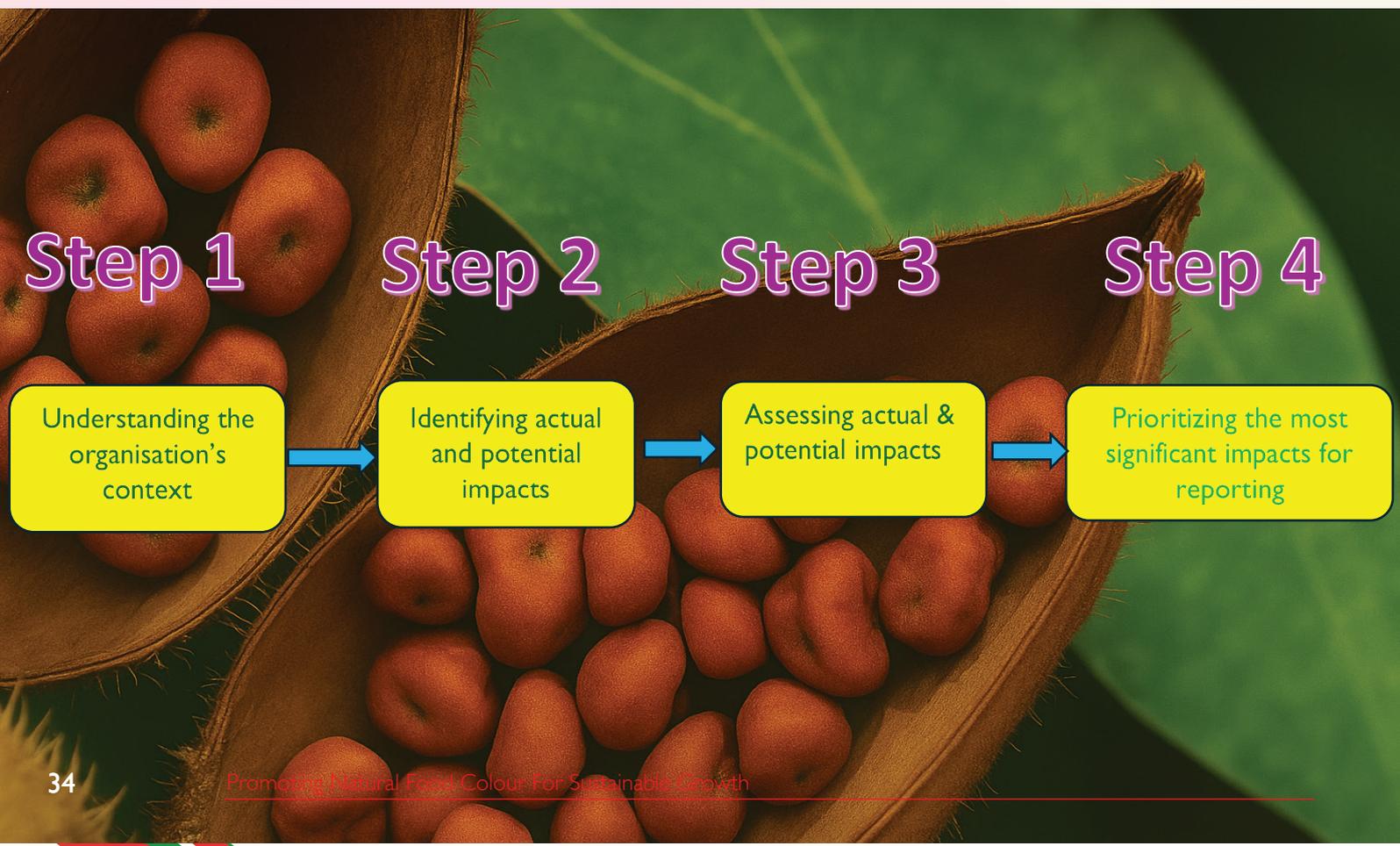
9.1 Materiality Assessment Process

To ensure that we continue to address our most significant negative impacts and maximize our positive contributions to our people, the environment and the economy, we reviewed the material topics identified in 2023 to confirm their continued relevance.

By reviewing these topics, we ensure that our actions remain focused and responsive to any changes in our operating context. Since neither our business operations nor the nature of our impacts have changed significantly since the initial materiality assessment in 2023, the material topics have remained unchanged. However, there were slight shifts in the relative significance of these topics to the business and to stakeholders, which are reflected in the summary of topics below.

As part of this review process, we considered inputs and reflected on feedback from our stakeholders across the value chain, including employees, out-grower farmers, local communities, government regulators, local administration, suppliers, and customers.

Our approach, as summarized below, remained aligned with the GRI 3: Material Topics Standards 2021 and GRI 13: Agriculture, Aquaculture and Fishing Sectors Standards 2022, and drew on thought leadership and best practices in the industry.



This re-evaluation of our materiality issues also guided the finalization of our sustainability strategy by clarifying where we can create the greatest value, prioritize our efforts, allocate resources effectively, and guide our reporting.

Recognizing that our impacts can contribute to or hinder the achievement of the Sustainable Development Goals (SDGs), this review also reaffirmed the linkages between our most significant impacts and the SDGs, strengthening our commitment to sustainable development.

9.2 Our 2024 Material Topics

The outcome of the review of our sustainability material topics has been summarized below:

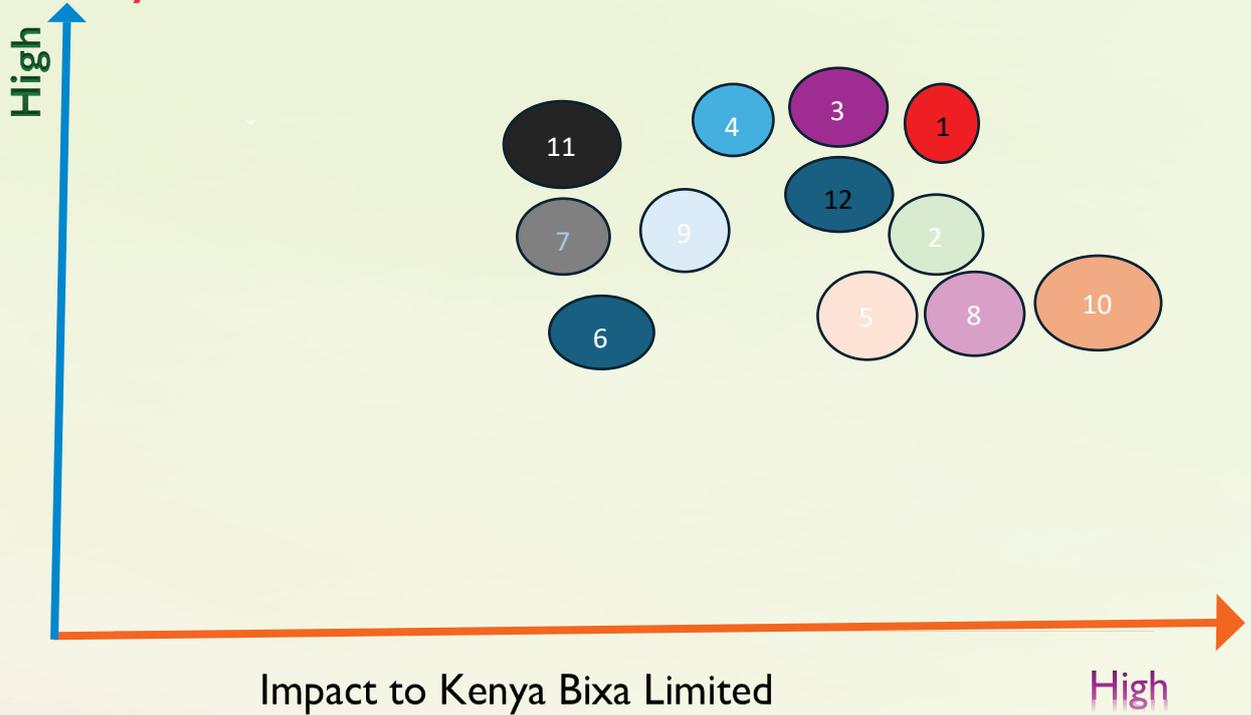
Thematic Topics	Our 2024 Material Topics
Environmental Stewardship	<p>Carbon Emissions reduction: Minimize greenhouse gas emissions across our operations and supply chains</p> <p>Process efficiency: Improve energy and resource efficiency by optimizing operational efficiency to reduce waste and enhance productivity</p> <p>Biodiversity conservation and protection: Safeguard ecosystems, preventing land degradation, deforestation and unsustainable farming practices that would adversely affect soil health and product quality</p>
Our People	<p>Labour practices and conditions: Uphold decent working conditions, fair labour practices and human rights for our employees and those in our value chains</p> <p>Training and education: Provide continuous capacity building and education to our employees, out-grower farmers, to enhance skills development, productivity and career development</p> <p>Gender equality, diversity and inclusion: Promote inclusivity, gender representation and empowerment by providing equal opportunity across the value chain</p> <p>Community relations: Build strong, respectful relationships with the local communities through meaningful engagement, prioritizing shared benefits</p>
Governance	<p>Ethics, integrity and anti-corruption: Uphold ethical practices and responsible governance across our value chain, including responsible sourcing</p>

Thematic Topics	Our 2024 Material Topics
	<p>Data privacy and protection: Safeguard confidential stakeholders and business information</p> <p>Regulatory compliance: Uphold full compliance with local and international laws and regulatory requirements</p> <p>Anti-competitive behaviour: Promote fair competition by prohibiting practices that restrict market access, manipulate pricing, or unfairly disadvantage other market participants.</p>
Sustainable products and supply chain	<p>Product quality and safety: Maintain high quality assurance standards through supply chain transparency, traceability and process controls, to ensure our products remain safe</p> <p>Supply chain transparency and traceability: Ensure clear visibility across the supply chain by tracking the origin, movement, and processing of raw materials and products to promote accountability, responsible sourcing, and consumer trust.</p>
Economic sustainability	<p>Economic inclusion and investment: Support local economic development and empowerment through income stability, local procurement and local economic investment</p> <p>Food security: Contribute to stable and sufficient food supplies by supporting sustainable farming practices and strengthening local food systems to enhance community nutrition and livelihoods.</p>

The management for each of the identified material topics has been clearly outlined in the subsequent sections, ensuring that our targets, actions, responsibilities, and progress are transparent and aligned with our sustainability commitments.

These material topics have since been reviewed and approved by the Board as a true representation and reflection of Kenya Bixa's sustainability priorities.

Materiality assessment matrix



No	Material Topic
1	Ethics, Integrity and Anti-Corruption
2	Anti-Competitive Behaviour
3	Compliance and Regulation
4	Data Privacy and Protection
5	Process efficiency (Water, Energy and Waste Management)
6	Biodiversity, Conservation & Protection
7	Economic Inclusion & Investment
8	GHG Emissions
9	People & Culture
10	Supply Chain Transparency and Traceability
11	Food Security
12	Product Quality and Safety

9.3 Our approach to reporting on key Environmental, Social and Governance topics

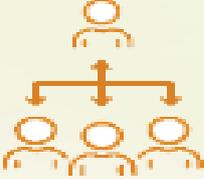
At Kenya Bixa, we recognize the critical role of Environmental, Social and Governance (ESG) factors in driving our strategic goals and ensuring long-term sustainability. We have adopted a **transparent** reporting approach to communicate our ESG performance, demonstrating our commitment to accountability and stakeholder engagement. This transparency allows us to effectively manage ESG-related risks, identify and capitalize on sustainable opportunities, and actively contribute to the achievement of sustainable development goals across all our areas of operation, including where we source materials, manufacture products and engage with our business communities.

We aim to provide comprehensive and comparable disclosures for a broad range of stakeholders on our ESG progress through:

1. Publish our annual Sustainability Report detailing progress on specific key performance indicators (KPIs).
2. Track sustainability performance internally on a quarterly and annual basis. We have developed an integrated reporting system that consolidates cross-functional, non-financial performance data at market levels, which gives senior internal stakeholders a clear view of our performance. Our aim is to enable early action to amplify opportunities and address risks, ensuring we stay on track to deliver our strategic plan 2025-2030.

Reporting Boundaries

Reporting boundaries are based on the fiscal year 2024, running from 1st January 2024 to 31st December 2024.

	<p>Our baseline year set as the fiscal year ended December 31, 2023, applies to all our baseline data used as the basis for calculating progress against our targets.</p>
	<p>Reporting methodologies are reviewed and updated each year by leadership teams at different platforms</p>
	<p>The reporting scope depends, to a significant extent, on the nature of each indicator, and we have explained the exceptions and limitations of each indicator in this report</p>

Reporting System	
	<p>There are three main systems used for the collection, validation and analysis of reported data.</p>
	<p>Governance Data: Reported at the management level.</p>
	<p>Health & Safety and Human Resources Data: reported at the site level using our information management systems</p>
	<p>Environmental Data: We collect data on key measures of environmental performance every month and year. This is collated and analysed using an environmental management system</p>

9.4 Sustainability Frameworks

We are committed to aligning our sustainability reporting with internationally recognized frameworks and standards. These frameworks guide how we identify, manage, measure, and communicate our sustainability impacts and performance. We recognize that credible sustainability performance and reporting require alignment with globally recognized frameworks that provide structure, comparability, and accountability.

In this sustainability report, we have reported according to and made reference to the various frameworks described below. Each of these frameworks guides how we identify our material topics, engage stakeholders, manage our impacts, measure progress, and communicate our performance transparently.



9.5 Global Reporting Initiative (GRI)

This report has been prepared in accordance with the GRI Universal Standards 2021, and we have applied GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022 to capture sector-specific disclosures relevant to our operations. The GRI Standards allow us to report comprehensively on our sustainability performance, with emphasis on transparency, stakeholder inclusiveness, and materiality. By aligning with GRI, we are able to identify the sustainability topics that matter most to our business and stakeholders, providing a balanced view of our environmental, social and economic contributions.

Topic	Reference
Foundation	GRI 1-1 to 1-8 from GRI 1: Foundation 2021
General	GRI 2-1 to 2-30 from GRI 2: General Disclosures 2021
Material Topics	GRI 3-1 to 3-3 from GRI 3: Material Topics 2021
Environmental	GRI 301 to 307: Energy, Water, Effluent, Biodiversity, Emissions, Waste & Environmental compliance
Social	GRI 401 to 411: Employment, Labour/Management Relations, Occupational Health and Safety, Training and Education, Diversity and Equal Opportunity, Non-discrimination, Freedom of Association and Collective Action, Child Labour, Security Practices, Rights of Indigenous People GRI 413: Local Communities GRI 416 to 418: Customer Health and Safety, Marketing and Labelling & Customer Privacy
Governance	GRI 205 to 206: Anti-corruption & Anti-competitive Behaviour
Economic	GRI 201 to 206: Economic Performance, Market Presence, Indirect Economic Impacts, Procurement
Sector-specific Standards	GRI 13: Agriculture, Aquaculture & Fishing Sectors 2022

9.6 United Nations Global Compact (UNGC)

Kenya Bixa is a participant in the United Nations Global Compact (UNGC) since 2013, the world’s largest corporate sustainability initiative. We commit to the Ten Principles of the UNGC, which guide businesses to adopt sustainable and socially responsible policies covered under four thematic areas, including Human Rights, Labour, Environment, and Anti-Corruption.

Our alignment with the UNGC affirms our commitment to integrating responsible business conduct into our operations and across our value chain. Participation in the UNGC also supports our efforts to embed sustainability into our business objectives, ensuring that ethical principles translate into practice.

THE TEN PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT



HUMAN RIGHTS

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.



LABOUR

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labour;
5. the effective abolition of child labour; and
6. the elimination of discrimination in respect of employment and occupation.



ENVIRONMENT

7. Businesses should support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technologies.

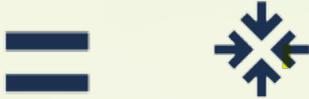


ANTI-CORRUPTION

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



United Nations
Global Compact

Thematic Topics	Our 2024 Material Topics	UNGC Principles
Environmental Stewardship	<ul style="list-style-type: none"> i. Carbon Emissions reduction ii. Process efficiency iii. Biodiversity conservation and protection 	Principles 7, 8, 9 
People and Culture	<ul style="list-style-type: none"> • Labour practices and conditions • Training and education • Gender equality, diversity and inclusion • Community relations 	Principles 1, 2, 3, 4, 5, 6 
Governance	<ul style="list-style-type: none"> • Ethics, integrity and anti-corruption • Data privacy and protection • Regulatory compliance • Anti-competitive behaviours 	Principles 10 
Sustainable products and supply chain	<ul style="list-style-type: none"> • Product quality and safety • Supply chain transparency and traceability 	Principle 2 
Economic sustainability	<ul style="list-style-type: none"> • Economic inclusion and investment • Food security 	Principles 7, 10 

9.7 United Nations Sustainable Development Goals (UN SDGs)

The UN Sustainable Development Goals (SDGs) offer a universal framework for advancing inclusive and sustainable development by 2030. Kenya Bixa's sustainability agenda is strategically aligned to support the achievement of relevant SDGs that reflect our operations, impact areas, and stakeholder expectations.

By linking our material topics to the SDGs, we ensure our sustainability efforts contribute meaningfully to local and global development priorities.

SDGs



Below is a summary of our contribution, either directly or indirectly to the SDGs:

Thematic Topics	Our 2024 Material Topics	Sustainable Development Goals (SDGs)
Environmental Stewardship	<ul style="list-style-type: none"> Carbon Emissions reduction Process efficiency Biodiversity conservation and protection 	<p>SDG 6, 7, 12, 13, 15,</p> 
People and Culture	<ul style="list-style-type: none"> Labour practices and conditions Training and education Gender equality, diversity and inclusion Community relations 	<p>SDG 1, 2, 3, 4, 5, 6, 8, 10</p> 
Governance	<ul style="list-style-type: none"> Ethics, integrity and anti-corruption Data privacy and protection Regulatory compliance Anti-competitive behaviours 	<p>SDG 16, 17</p> 
Sustainable products and supply chain	<ul style="list-style-type: none"> Product quality and safety Supply chain transparency and traceability 	<p>SDG 3, 8, 12, 17</p> 
Economic sustainability	<ul style="list-style-type: none"> Economic inclusion and investment Food security 	<p>SDG 1, 2, 4, 8, 9, 10, 17</p> 

9.8 European Sustainability Reporting Standards (ESRS)

As part of our forward-looking sustainability journey, Kenya Bixa is also taking steps to align with the emerging European Sustainability Reporting Standards (ESRS). These standards are central to the European Union's Corporate Sustainability Reporting Directive (CSRD) and are designed to promote high-quality, comparable, and consistent ESG disclosures among companies.

Although Kenya Bixa is not currently subject to EU regulations, we recognize the growing importance of interoperability and alignment across global sustainability standards. ESRS introduces a double materiality lens, requiring companies to report not only on how sustainability issues impact business but also how business impacts people and the environment.

We are progressively integrating key aspects of the ESRS such as climate-related disclosures, workforce inclusion, governance transparency, and sustainability risk management, which also align with our own internal goals for continuous improvement and future readiness.

Topic	Reference
General	ESRS 1: General Requirements ESRS 2: General Disclosures
Environmental	ESRS E1: Climate Change ESRS E2: Pollution ESRS E3: Water and marine resources ESRS E4: Biodiversity and Ecosystems ESRS E5: Resource use and circular economy
Social	ESRS S1: Own Workforce ESRS S3: Affected Communities ESRS S4: Consumers and End-users
Governance	ESRS G1: Business Conduct

10. Environment



10.1 Energy and Emission

Our core business of processing Annatto seeds into natural food colours requires significant energy inputs. We understand that this energy consumption, alongside the associated greenhouse gas (GHG) emissions, has a direct bearing on our operational costs and our environmental footprint. Actively managing these factors is crucial for both our business's sustainability & our commitment to responsible production, environmental stewardship and sustainable business practices.

In 2024, Kenya Bixa Limited adopted seven Corporate Sustainability Principles, aligning with the UN Sustainable Development Goals (SDGs). These principles guide the organization's commitment to responsible and sustainable business practices:

1. **Be energy smart** – Optimize energy consumption and efficiency in the production processes.
2. **Ensure resource efficiency** – Maximize the sustainable use of raw materials.
3. **Be climate resilient** – Adapt to and mitigate current climate-related risks.
4. **Be water efficient** – Implement responsible water management practices.
5. **Value creation on waste**–Promote the use of organic manure.
6. **Ensure staff and farmers' well-being** – Promote a safe, healthy, and supportive work environment.
7. **Engage and preserve the community** – Support local communities and environmental conservation.



Our management plays a pivotal role in providing strategic leadership and ensuring the necessary financial resources and human capital are allocated to effectively implement these sustainability initiatives. Through these efforts, Kenya Bixa Limited is dedicated to fostering long-term environmental and social responsibility through promoting responsible consumption and production.

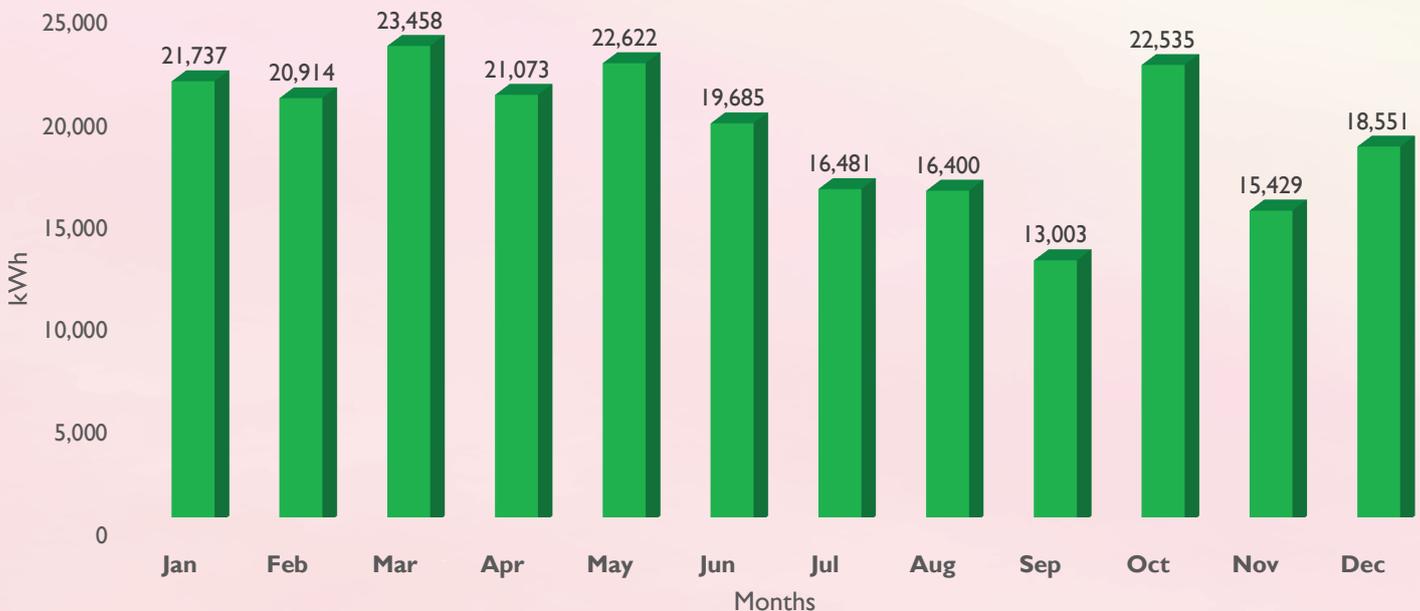
10.2 Energy

Fossil fuel combustion remains the primary driver of climate change worldwide. In response to the current climate change, at Kenya Bixa Limited, we actively monitor our energy consumption to enhance efficiency and sustainability within our facility. Energy usage is tracked monthly, ensuring a clear understanding of consumption patterns. The company's top management prioritizes energy efficiency, recognizing it as a key responsibility in reducing overall environmental impact. This approach enables us to identify opportunities for efficiency improvements, minimize waste, and promote responsible resource management across our operations. These efforts play a key role in reinforcing our commitment to SDG 12: Responsible Consumption and Production.

10.3 Electricity Consumption

Kenya Bixa Limited uses electricity from KPLC which owns and operates most of the electricity transmission and distribution systems in the country. The graphs below show electricity consumption in kWh for the fiscal year 2024.

Electricity consumption (kWh) 2024



Electricity consumption averaged **19,324 kWh** per month in the fiscal year ending 2024. The total amount of electricity consumed was **231,888 kWh**, an increase of **12 %** compared to 2023 which was **206,950 kWh**.

10.4 Energy Intensity

Based on the total energy (electricity) consumption of **231,888 kWh** our energy intensity for 2024 was **71 kWh** per carton of product produced.

10.5 Fuel Consumption

We use fuel to run both the generator and fleet of vehicles owned by the organization. The types of fuel used by the organization include LPG, diesel and gasoline(petrol).

A. Diesel



The total amount of diesel consumption for 2024 was **75,527 Litres**, an increase of 0.02 % compared to fuel consumption in 2023 (**75,507 L**).

The total diesel is comprised of the following:

Source	Annual Consumption (L)
Generator	7,176
Drier	30,687
Diesel Vehicle	37,664

B. Petrol

The total amount of petrol consumption for 2024 was **2,009 Litres**, an increase of **30.5 %** compared to 2023 which was 1,540 Litres. Petrol is used in vehicles & motorcycles for movement.

C. LPG

The total amount of LPG consumption for 2024 was **48 Kgs**, similar to the amount consumed in 2023. LPG is used in the kitchen.

D. Biofuels (Wood)

The total amount of wood consumption for 2024 was **455,000 Kgs** a decrease of **35 %** compared to 2023 which was 700,000 Kgs. Wood is used to run the boiler.

10.6 Climate Change

“Right now, we are facing a man-made disaster of global scale.

Our greatest threat in thousands of years.

Climate Change.

If we don't take action, the collapse of our civilisations and the extinction of much of the natural world is on the horizon”.

Speech by Sir David Attenborough

COP24, Katowice, Poland

3rd December 2018.



The escalating impacts of climate change, manifested in increasingly severe droughts, unexpected floods and unpredictable weather patterns across Africa and the world generally, demand an immediate and decisive action. At Kenya Bixa Limited, we recognize our collective responsibility to mitigate these risks and build resilience within our operations and supply chains.

In Kenya, the Ministry of Environment, Climate Change and Forestry amended the Climate Change and Carbon Market acts 2023 which aims to provide a platform for to manage climate change and participation in carbon markets.

In 2024, we took a critical step by quantifying our carbon footprint. Our carbon emissions are categorized as scope 1 and scope 2 emissions. This involved tracking and recording data on fuel consumption for our generators, driers and company vehicles, LPG consumption for our kitchen as well as our grid electricity usage. This data is fundamental to understanding our current impact and informing our future strategies.

We are committed to setting ambitious, science-based carbon emission reduction targets, aligning ourselves with the global imperative of achieving net-zero emissions by 2050. To ensure accuracy and transparency, we adhere to the most suitable industry guidelines and adopt robust measurement methodologies.

Our approach to climate action is incorporated into the comprehensive sustainability strategy which includes:

- **Reducing Greenhouse Gas Emissions:** We are actively working to minimize our carbon footprint through energy efficiency measures and optimizing our operational processes.
- **Building Climate Resilience:** Recognizing the vulnerability of the farmers and the communities to climate change, we are strengthening the resilience in farming practices, processing practices and supply chains to withstand extreme weather events.
- **Energy Efficiency and Resource Consumption:** We prioritize energy efficiency across all our operations, promoting mindful resource consumption to reduce our environmental impact.

- **Waste Management and Water Stewardship:** We are implementing robust waste management practices and responsible water stewardship initiatives to minimize pollution and conserve resources.

By prioritizing climate action and fostering sustainable practices, we are dedicated to contributing to a healthier planet for all, particularly in the face of the intensifying challenges posed by climate change in the coastal region of Kenya.

10.7 Carbon Emissions



Kenya Bixa Limited recognizes the direct link between atmospheric carbon emissions and the escalating impacts of climate change. To actively combat this global challenge, we've established a robust framework to accurately measure, reduce and transparently report the greenhouse gas (GHG) emissions from our facility operations. This commitment reflects our dedication to environmental stewardship.

Scope I: GHG DIRECT EMISSIONS

To accurately account for our Scope I greenhouse gas (GHG) emissions, encompassing both stationary combustion and mobile sources, we employed globally recognized GHG calculation tools. Specifically, we utilized data analysis tools provided by the UK Department for Environment, Food and Rural Affairs (DEFRA) and the U.S. Environmental Protection Agency's (EPA) Centre for Corporate Climate Leadership to calculate emissions from each source independently.

Our scope I carbon emissions are calculated from the fuel data consumed by stationery and mobiles sources across the year as summarised below.

Fuel Type	Quantity 2024
Diesel- Generators (Litres)	7,176
Diesel- Drier (Litres)	30,687
Diesel Vehicles (Litres)	37,664
Petrol Vehicles & Motorcycles (Litres)	2,009
LPG (Kgs)	48

A. Stationary Combustion

The organization uses a generator, drier, boiler (biomass) and LPG to run its operations. The table below shows a summary of Carbon emission (tCO₂e) stationary fuel combustion in the fiscal year 2024.

Stationary Combustion	FY 2024 - (tCO ₂ eq)
Total CO ₂ Equivalent Emissions (metric tons) – Generator, Drier & LPG	112.5
Total CO ₂ Equivalent Emissions (metric tons) - Biomass (Wood)	746
Total Emissions	858.5

B. MOBILE COMBUSTION

The organization uses petrol and diesel motor vehicles to transport goods and the movement of employees. Motor vehicles play a key role in ensuring flexible movement and operations of our employees, movement of our raw materials, finished products and services offered to both farmers and our customers.

The organization monitors and measures all its motor vehicle fuel consumption monthly. The organization calculated tCO₂ emissions from fuel consumption as follows.

Mobile Source	FY 2024 - (tCO ₂ eq)
Petrol	17.6
Diesel	384.6
Total Emissions	402.2

Summary of Scope I Emissions.

SCOPE I TOTAL (tCO ₂ eq)	FY 2024 - (tCO ₂ eq)
Stationary Combustion	858.5
Mobile source	402.2
Total Emissions	1260.7

The total amount of carbon emission equivalent under scope I emission(tCO₂eq) in fiscal year 2024 is **1260.7** tCO₂eq.

The calculations do not include refrigeration/ AC equipment use, fire suppressors and other purchased gases as they are not used within the organization.

SCOPE 2: GHG INDIRECT EMISSIONS

Indirect emissions include consumed and purchased electricity used within the organization. Electricity consumption is drawn from meter readings from the nation grid. We updated our scope 2 emission factors to the most recent emission factors for the republic of Kenya, which reflect the most recent state of our grid electricity in accordance with the GHG protocol.

The equivalent total amount of tCO₂ emitted from **231,888** kWh used is as shown in the summary table below.

SCOPE 2 -Indirect Emission	FY 2024 - (tCO ₂ eq)
Total Electricity	116

SCOPE 3: OPTIONAL EMISSIONS

We acknowledge other indirect optional carbon emissions arising from employee business travels, raw materials & product transport and employee commuting to and from work. Currently the organization does not measure the optional carbon emissions.

10.8 Total Carbon Emissions

The total amount of tCO₂ emitted comprises of scope 1 and scope 2. The total tCO₂ emissions for Kenya Bixa Limited is as summarised below.

TOTAL (tCO ₂ eq)	FY 2024 - (tCO ₂ eq)
Scope 1	1260.7
Scope 2	116
Total	1,376.7

The total carbon emission in 2024 totaled **1,376.7** tCO₂eq compared to **995** (tCO₂eq) in 2023. An increase of **38.4** % was attributed to increased production driven by heightened product demand. Our **carbon intensity** for the organisation in relation to production was 20.9 tCO₂eq per tonne of Norbixin powder produced in 2024.

II. Carbon Reduction Strategy

7 AFFORDABLE AND CLEAN ENERGY



Our carbon reduction initiatives are broadly outlined in Sustainability Strategy Plan 2025-2030; it focuses on minimizing greenhouse gas (GHG) emissions across our operations and supply chains. The core components of this carbon reduction strategy include:

1. Goals and Targets

- **Reduction of Scope 1 & 2 Emissions:** The organization is aiming for a 30% reduction in emissions by 2030, from a 2024 baseline of 1,377 tCO₂e per year.
- **Improve Energy Efficiency:** The organization is targeting a 20% improvement in energy efficiency by 2028, from a 2024 baseline of 3.6 kWh/tonne to 2.9 kWh/tonne.

2. Key Focus Areas and Actions

- **Emissions Reduction Plan:** The organisation is developing and implementing a comprehensive plan specifically designed to reduce Scope 1 and 2 emissions.
- **Operational Efficiency:** The organisation will optimize operational processes to enhance energy and resource efficiency, which will contribute to reducing the kWh/tonne energy consumption.
- **Waste-to-Value Initiatives:** The organisation will expand the existing production of biogas and briquettes from Bixa waste. Furthermore, explore and implement new circular economy solutions for processing by-products.

3. Implementation Timeline and Responsibilities

- The implementation of the plan to reduce Scope 1 and 2 emissions, optimize operational efficiency, and expand waste-to-value initiatives is ongoing from Year 2 to Year 4 (2025-2030) of the sustainability strategy.
- The Sustainability Committee is primarily responsible for developing and implementing the emissions reduction plan, optimizing operational efficiency, and exploring new circular economy solutions. Relevant departments will also be involved in these efforts.



12. Water

6 CLEAN WATER AND SANITATION



Kenya Bixa Limited is committed to fulfilling Sustainable Development Goal 6, ensuring the availability and sustainable management of clean water and sanitation. Recognizing water as a core resource for our operations, we control its usage within our production facility. We quantify water usage through tracking usage in production process, consumption by employees and cleaning & sanitation activities. Our main water source includes our own on-site borehole, municipal water and drinking water supplied by a third-party water supplier. The onsite borehole serves as the main water supply source, allowing us to ensure a reliable and responsible water supply to the factory.

Below is a summary of our water consumption in 2024 compared to 2023:

Source	2024- QTY (L)	2023- QTY (L)
Borehole Water	7,147,000	7,668,000
Municipal Water	164,000	15,560
Bottled Water	1,200	6,000
Total	7,312,200	7,689,560

Thanks to our enhanced water stewardship initiatives, Kenya Bixa Limited successfully reduced its water consumption by **4.9%** in 2024. Water usage decreased from **7,689,560 L** in 2023 to **7,312,200 L** in 2024, demonstrating our commitment to responsible resource management and environmental sustainability.

13. Waste Management



Our waste-related impacts and management are defined in the Environmental Management Policy. We have implemented the NEMA Sustainable Waste Management Act 2022 that mandates the organization to segregate waste. The categories include organic waste, general waste and recyclable waste. Our approach focuses on reducing, reusing, and recycling materials wherever possible and ensuring proper treatment of waste streams to protect the environment and support our goal of a circular economy.

This approach adopted ensures environmentally friendly waste management strategies across all stages of the waste lifecycle, significantly reducing releases into air, water and soil, and mitigating risks to human health and the environment.

To enhance our waste management practices and ensure strict regulatory compliance, Kenya Bixa Limited exclusively partners with waste handlers possessing valid licenses from the National Environment Management Authority (NEMA). We maintain accurate records of all waste disposal activities, ensuring that comprehensive waste tracking documents are completed for every waste collection. Furthermore, we verify that all vehicles used for waste collection are also NEMA licensed, reinforcing our commitment to responsible and compliant waste disposal.

We analyzed our total waste produced and managed in the year 2024 as follows.

Type of Waste	2024-QTY	2023- QTY	Management
Waste- Water	1,152,000 L	Not recorded	Treated before channeling septic storage
Waste- Organic (Seeds & Dregs)	1,991 tonnes	1,905 tonnes	Currently used to make manure for the farm while exploring the potential to use the seeds to make briquettes in the future (test phase).
Septic waste	40.6 tonnes	Not recorded	The septic waste is collected and managed by the municipality on a regular basis. The waste is handled according to the Waste Management Regulations.
Plastic containers	1.9 tonnes	12.96 tonnes	These are containers used in the supply of production inputs. They are decontaminated and recycled
Scrap metal	2.8 tonnes	Not recorded	These are stored on-site and are reused by the maintenance and fabrication department. Also recycled by metal recyclers
Paper	6kgs	Not recorded	These are disposed of in the biomass boiler.

14. Biodiversity





Creating Thriving Ecosystems

At the core of our business, we believe in sustainable agriculture that actively promotes biodiversity.

Both our Bixa trees & out-grower farmers plantation create unique ecosystems that support a wide array of life. By fostering agroforestry systems and biodiversity corridors, we provide crucial habitats for local wildlife and farmers livestock enhancing vital ecosystem balance. This approach not only enriches the agricultural landscape but also creates additional income streams for farmers through diverse agriculture.

Preserving Natural Habitats and Cultural Heritage

In Shimoni, we've set aside approximately 364 acres of undisturbed land on our farm. A significant portion of this area is recognized as a sacred site by the local community. This initiative not only underscores our dedication to biodiversity conservation but also demonstrates our deep respect for the cultural heritage of the local community.

Minimizing Environmental Impact

We are dedicated to preventing the conversion of natural ecosystems. We strictly avoid and discourage large-scale land clearance. The Bixa tree, being a perennial shrub, allows us to maintain our plantations for many years with minimal disturbance to existing ecosystems. This long-term approach helps us conserve biodiversity and address climate change concerns associated with frequent land clearance. Currently, only about half of our farm is under Bixa cultivation, with the remaining land intentionally left undisturbed.





15. People and Culture

Our people include our employees, out-grower farmers, suppliers, customers, and the host communities. We recognize them as an integral part of our business and the foundation of our long-term success. We acknowledge and value the rights of all our people and are committed to upholding the respect of widely recognized human rights values.

This commitment is rooted in our alignment with internationally recognized frameworks and principles that define responsible business conduct. Recognizing that respecting human rights is a shared responsibility that goes beyond compliance, these frameworks guide us to proactively identify, prevent, mitigate, and remedy any adverse human rights impacts linked to our operations and business relationships.

We uphold the International Labour Organization's (ILO) Declaration of on Fundamental Principles and Rights at Work and the Universal Declaration of Human Rights (UDHR), which set out fundamental principles and rights at work, including freedom of association and collective bargaining, the elimination of forced or compulsory labour, the abolition of child labour, the elimination of discrimination in respect of employment and occupation and a right to a safe and healthy working environment. Further, our commitments are reinforced by our dedication to the United Nations Global Compact (UNGC) Principles on human rights and labour.

We strive to foster a safe, inclusive, and engaging workplace where all employees and stakeholders feel valued and respected. Through strong labour-management relations, we encourage open dialogue and collective action to address workplace concerns and drive continuous improvement. We provide meaningful training and education opportunities to our workforce, equipping and empowering them to thrive in an evolving workplace.

We also operate in rural communities where livelihoods are closely tied to our fields, factories, and value chains. Recognizing this, we are committed to upholding the highest standards of respect for human rights, sustainable and equitable use of natural resources everywhere we operate.

Diversity, equity, and inclusion are essential components of our culture. We are committed to providing equal opportunities, promoting gender balance across all levels, and ensuring our policies actively prevent discrimination and harassment in any form. Further, in order for us to deliver on shared value and promote sustainable economic development, we are dedicated to improving gender equality, addressing inequalities, encouraging decent work and economic growth, and prioritizing social investments.

To help us manage and disclose our people and culture practices, we have applied the Global Reporting Initiative (GRI) Standards, specifically GRI 401 through GRI 418. The UN Global Compact Principles and other globally accepted best practices, particularly those outlined in ESRS S1, S3, and S4, have also been referenced here as discussed below.

15.1. Employees

Our employees are the driving force behind our vision to be the leading producer and supplier of healthy and natural food solutions.

During the reporting period, we had a total of 222 (144 Male; 78 Female) employees consisting of 30 (27 Male; 3 Female) Permanent employees, 92 (77 Male; 15 Female) Temporary employees and 100 (40 Male; 60 Female) Casual/General workers.



Our workforce is based in Kwale County, where we grow and process annatto.

A significant proportion of our field work, including planting and harvesting, is seasonal and therefore supported by casual workers, who are engaged through fair labour practices and under strict compliance with our labour standards and human rights policies.

In 2024, we hired 17 new employees across departments, with only 3 exits, reflecting strong talent acquisition and low turnover.

At Kenya Bixa, we are committed to supporting the well-being, health, and professional development of our full-time employees through a comprehensive benefits package. This includes medical insurance coverage for employees and their immediate families, contributions to a pension scheme to secure their retirement, and statutory leave entitlements such as annual, sick, and maternity/paternity leave and retirement benefits. We also invest in staff development through regular training programs, workshops, and educational sponsorships that enable career growth. The casual workers are enrolled in social security schemes; however, they do not receive the full range of benefits provided to permanent staff. We also promote work-life balance through parental leave for all eligible employees. In 2024, we had a 100% return-to-work rate for six (6) employees who took parental leave.

Kenya Bixa's remuneration policies are designed to ensure fair, competitive, and transparent compensation that attracts, motivates, and retains qualified employees. The Human Resources Committee of the Board is tasked with annually reviewing the remuneration and compensation policies and programs to ensure that they are appropriately suited to the company's need to attract, retain and motivate outstanding staff performance. This committee comprises non-executive, independent Board members to ensure objectivity and alignment with good governance practices.

Employee representatives are consulted and their views sought for the unionized employees to ensure that our remuneration policies reflect our business performance, market benchmarks and broader employees' interests.

The company provides reasonable notice periods for operational changes, as outlined in internal policies, employee contracts, and collective bargaining agreements.

15.2. Occupational Health and Safety

We are fully committed to providing a safe and healthy working environment for all our employees, contractors, and visitors, in strict compliance with the Occupational Safety and Health Act (OSHA), 2007 and its accompanying regulations.

Our Occupational Health and Safety (OHS) Management System is guided by the provisions of local and global regulations, standards and frameworks, which outline the responsibilities of employers and employees regarding workplace safety. We have established and effectively trained a 17-member Health and Safety Committee to ensure open dialogue, workers' representation and effective management of workplace safety.

Additionally, we conduct regular safety inspections, risk assessments and annual audits, ensure the implementation of control measures to mitigate hazards, ensure provision and strict use of appropriate Personal Protective Equipment (PPE), and continuously training our employees and contractors to build a safety-first culture.

We maintain robust emergency preparedness and response plans, including fire drills and provisions for first aid, with clear reporting procedures for any incidents and accidents. There were zero occupational incidents and accidents reported.

Our employees are covered under occupational medical insurance in line with the Work Injury Benefits Act. In addition, we conduct regular health screenings for those exposed to specific workplace hazards to enable early detection and management of potential health issues.

In 2024, 34 employees were consequently trained as fire marshals and first-aiders to enable them to effectively deliver on emergency response, ensure workplace safety, and support their colleagues in the event of an incident.

We monitor and report on our occupational health and safety performance, taking immediate corrective actions when needed and continually improving our practices to prevent work-related injuries and illnesses.

15.3. Child, Forced and Compulsory Labor

We maintain an unwavering and non-negotiable commitment to upholding national and international laws that strictly prohibit child labor. We categorically do not engage individuals below the legal working age and actively discourage any form of child labor within our entire supply chain including our farms.

Furthermore, we are absolutely dedicated to preventing all forms of forced and compulsory labor, as well as any form of exploitation, both within our direct operations and throughout our supply chain. We have implemented stringent contractual clauses with all our suppliers, making adherence to these principles a mandatory requirement.

We are pleased to report that no incidents of child, forced, or compulsory labor were reported in 2024. This reinforces our commitment to ethical labor practices and strengthens our resolve to maintain the highest standards throughout our operations and supply chain

15.4. Gender Equality, Diversity and Inclusion

Promoting gender equality, diversity, and inclusion is not just a policy at Kenya Bixa, we believe that diverse and inclusive workplaces drive better business outcomes, foster innovation, and strengthen our commitment to reduced inequalities and sustainable development.

We are committed to providing equal opportunities for all employees and stakeholders, regardless of gender, age, ethnicity, religion, disability, or any other characteristic protected under national and international human rights standards.

Our policies set out clear principles for recruitment, promotion, training, remuneration, working conditions and any contractual relationships that prevent discrimination, bias and support an inclusive work culture.

We are equally committed to breaking down barriers to women's participation, addressing any gender-based gaps, and championing a culture of respect, safety, and empowerment for all. To ensure we are making real progress towards a balanced, equitable workplace, we track gender representation across all levels of our workforce. As at the end of the reporting period, we had 78 Females against 144 Males, representing 35% of our total workforce.

Employee Gender Representation

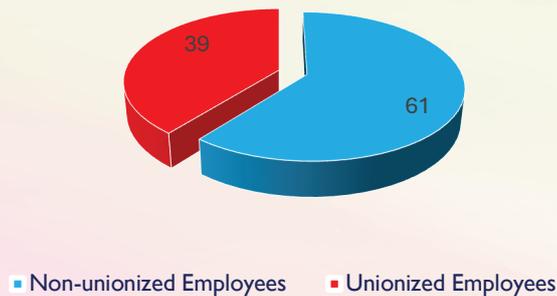


15.5. Freedom of Association and Collective Bargaining

At Kenya Bixa, we respect and uphold our employees' right to freedom of association and collective bargaining. 39% of our workforce is unionized and covered by collective bargaining agreements, which help ensure fair labour practices, decent working conditions, and open dialogue between employees and management.

In 2023, we had 70 unionized employees out of a total workforce of 205. By 2024, this number had increased to 87 unionized employees out of 222, raising the proportion of unionized employees from 34% to 39%. This growth reflects our continued respect for employees' rights to organize and our commitment to maintaining constructive relationships with recognized trade unions

Employee Representation by Union Membership



15.6. Non -Discrimination and Harassment

We are fully committed to providing a safe, respectful, and inclusive workplace that is free from any form of discrimination, harassment, or abuse. Our commitment is firmly anchored in our various Human Rights and Labour Policies, which align with national laws, the ILO Convention No. 190, the UN Guiding Principles on Business and Human Rights, and the UN Global Compact Principles, particularly Principle 6 on the elimination of discrimination in respect of employment and occupation.

We strictly prohibit discrimination on the basis of gender, age, race, ethnicity, religion, disability, marital status, nationality, political affiliation, or any other protected characteristics. Our non-discrimination principles apply across our employment practices including recruitment, training, promotion, remuneration, access to benefits, disciplinary measures, and

termination. These also apply to our engagements with other stakeholders including out-grower farmers and suppliers.

Harassment in any form, whether physical, verbal, or psychological, is not tolerated. This includes sexual harassment, sexual exploitation, and sexual abuse. We have a procedure in place to prevent, detect, and address any incidents of harassment. All employees, contractors, and third-party stakeholders receive training and awareness sessions on respectful workplace conduct and channels for reporting grievances. We have also provided a safe, accessible, and confidential grievance mechanism for employees to raise concerns without fear of retaliation. All reported cases are handled sensitively, investigated thoroughly, and addressed promptly, with appropriate corrective or disciplinary action taken where necessary.

We continuously monitor compliance with our non-discrimination and anti-harassment policies. During this reporting period, there were no reported cases of discrimination, harassment, or sexual exploitation and abuse.

15.7. Living Wage

We are committed to ensuring that our employees and workers receive fair and competitive compensation that enables them to meet their basic needs and enjoy a decent standard of living.

Our remuneration policy and wage structures are designed to comply fully with national minimum wage laws while striving to exceed where possible by paying a living wage that reflects the real cost of living in the communities where we operate. We review wages regularly, benchmarked against industry standards, costs of living, and relevant market data to ensure they remain fair, competitive, and supportive of employee wellbeing.

We apply the principle of equal pay for work of equal value, without discrimination on the basis of gender or any other protected characteristic, in line with ILO Convention No. 100. Our pay structures are clear and transparent, covering all categories of employment including permanent, temporary, and seasonal workers.

The Human Resources Committee of the Board oversees the effectiveness and fairness of our remuneration policies as part of its broader mandate to ensure that our compensation practices support employee attraction, motivation and retention.

Unionized employees and their representatives have the right to engage in dialogue about wage structure and working conditions through collective bargaining.

We will continue to monitor living wage standards and strengthen our efforts to ensure that our compensation practices contribute to decent work and improved livelihoods for all who support our business.

15.8. Training and Capacity Building

Our commitment to employee growth and lifelong learning is at the core of empowering our people, improving performance, and advancing sustainable development across our operations and value chain.

We provide our employees with relevant training and capacity building opportunities tailored to their roles and development needs. Our training covers a wide range of areas, including but not limited to technical and operational skills to enhance productivity and job performance and leadership and management skills to build internal capacity for future growth. During the reporting period, training was delivered through a combination of workshops, on-the-job coaching, awareness sessions, and external certification courses, where needed.

We track training hours and participation rates for all employee categories, and we use this data to identify skills gaps and tailor future training plans. In 2024, we had an average of 11.49 training hours per employee. Below is a summary of training delivered in 2024:

Training Conducted	Number of Employees Trained	Duration (Hrs)
Strategic Plan	8	3 Hrs
E-TIMS, Housing Levy & NSSF	10	3 Hrs
Food Safety System Certification	24	72 Hrs
Trustee Development Program Kenya	3	40 Hrs
Annual Tax Convention	1	32 Hrs
Farm Management	17	16 Hrs
Trainer of Trainees	2	48 Hrs
Retirement Plan	83	3 Hrs

All permanent and temporary employees are subjected to annual performance reviews to assess their achievements, provide feedback, and identify opportunities for growth and development.

15.9. Security

Our approach to security management is firmly rooted in respect for human rights. We maintain robust security measures to protect our facilities, products, and people, while ensuring that these measures are implemented in a way that upholds dignity and avoids any infringement on the rights of employees, contractors, suppliers, or community members. Our security practices are governed by clear policies and procedures that guide the conduct of our internal security staff.

All security personnel receive comprehensive training that goes beyond physical protection measures to include human rights awareness, ethical conduct, conflict resolution, non-discrimination, and respectful engagement with employees and other stakeholders including the local communities. We have further provided reporting procedures and channels for employees and stakeholders to raise any concerns about security practices or related human rights impacts without fear of retaliation.

Additionally, Kenya Bixa sits on the County's Security Committee, which fosters collaboration between local authorities, community representatives, and businesses to address security concerns in a coordinated and transparent manner. This engagement helps us ensure that our security practices align with community expectations, support local safety priorities, and strengthen mutual trust. Through this proactive approach, we continue to maintain a safe working environment while respecting and protecting the rights and dignity of all stakeholders. During the reporting period, there were no reported cases of human rights abuses linked to our security arrangements, and we continue to build capacity and raise awareness to maintain this standard.

15.10. Grievance Management

At Kenya Bixa, we believe that an effective grievance mechanism is vital for ensuring that any actual or potential negative impacts related to our operations and business relationships are identified, addressed, and remediated in a timely, fair, and transparent manner.

Our grievance mechanism is an integral part of responsible business practice. By providing safe spaces to speak up and ensuring fair redress, we strengthen our culture of accountability, build trust with stakeholders, and uphold our commitment to international best practice.

Our grievance mechanism provides a structured way for employees, contractors, out-grower farmers, suppliers, community members, and other stakeholders to raise concerns or complaints related to labour practices, human rights, occupational health and safety, environmental impacts, unethical behaviour, discrimination, harassment including sexual exploitation and abuse, or any other sustainability-related matter.

The mechanism ensures that concerns are heard and addressed impartially and without retaliation remedies are provided where harm has occurred and patterns or systemic issues are identified and addressed to prevent recurrence.

Role	Responsibilities
Board of Directors	Provides oversight of the grievance mechanism's effectiveness and independence
Sustainability Committee	Reviews grievance trends, advises on systemic issues, and ensures alignment with human rights commitments.
Senior Management	Ensures resources are allocated for fair and timely grievance resolution and supports a culture of openness
Human Resources	Acts as the grievance focal point. Receives, logs, and tracks all grievances; ensures they are handled impartially and confidentially; supports awareness of grievance procedures
Line Managers & Supervisors	Act as the first point of contact for employees to raise concerns and escalate as needed
Local Administration Officer	Serves as the contact point for community grievances, ensuring accessibility for local stakeholders

Our grievance mechanism is designed to align and follow internationally recognized effectiveness criteria guaranteeing its relevance and reliance. We also ensure continuous improvement drawing from our learnings and feedback from stakeholders.

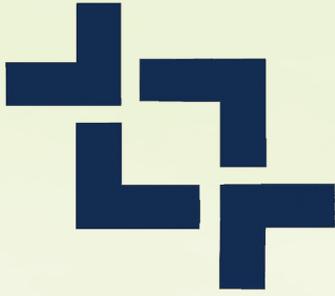
We actively promote awareness of our grievance mechanism among all internal and external stakeholders. This is done during inductions and regular training for employees and managers, barazas for out-grower farmers and suppliers, and community engagement meetings.

There were no unresolved grievances during this reporting period.

16. Governance



16.1. Ethics, Integrity and Anti-Corruption



PRINCIPLES 10 ANTI-CORRUPTION

In fulfilment of our commitment to **UN Global Compact principle 10** that mandates businesses to work against corruption in all its forms, including extortion and bribery, Kenya Bixa Limited has instituted and implemented an Anti-corruption and anti-bribery policy. This policy provides a robust framework to prevent and address corruption, emphasizing on ethical conduct, transparency, and accountability throughout our operations and partnerships.

Kenya Bixa Limited has implemented a zero-tolerance approach to unethical behaviour and is committed to ensuring that the organization and its employees upholds our core values & reputation. We foster honesty, integrity, and fairness in all aspects of our business and expect the same with other stakeholders that we engage in business including our farmers, supplier and customers.

As outlined in our Anti-corruption and anti-bribery policy, it is unacceptable for any employee or agent of Kenya Bixa limited to directly or indirectly offer, pay, solicit, or accept bribes in any form.

Kenya Bixa limited does not pay bribes directly or indirectly and does not engage in any acts of corruption including the facilitation of tax evasion. Our employees are expected to promote good practice in accordance with the company's commitment to high standards of integrity.

We further elaborate on this in our Anti-Bribery and Anti-Corruption policy that covers bribes and kickbacks; facilitation payments, gifts, personal conflicts of interest; charitable donations; political activities; business relationships, audits and accounts. Supporting this policy is Kenya Bixa limited's training for Anti-bribery and Anti-corruption and the Code of Conduct and Ethics, aimed at increasing awareness and strengthening Kenya Bixa limited anti-corruption culture. Training on this policy also forms part of the induction process for all new employees.

Our zero-tolerance approach to bribery and corruption is communicated to all our suppliers, contractors, and business partners at the outset of our business relationship with them and as appropriate thereafter.

Measurement of our outcome

In the fiscal year 2024, the following was a measure in relation to ethics, integrity, and anti-corruption:

- ❖ Kenya Bixa limited was not involved in any legal cases, rulings or other events related to corruption and bribery in Kenya or abroad.
- ❖ Kenya Bixa Limited made no political contributions
- ❖ Mandatory sensitization training on the Code of Conduct and Ethics for all employees.
- ❖ Every year we submit our accounts to independent external auditors who check that our accounts are correctly managed and that there are no discrepancies which could be related to bribery or corruption. We did not receive any report of discrepancies in 2024.

16.2 Anti-competitive Behavior

At Kenya Bixa, our focus is on maintaining fair market practices and ensuring compliance with competition laws, particularly within the Bixa supply chain and concerning market share.

Our Strategies to Ensure Fair Competition

i) Transparent and Fair Pricing

To prevent any accusations of price-fixing or predatory pricing, Kenya Bixa has implemented a transparent and competitive pricing strategy for our out-grower farmers. Our pricing reflects market demand, production costs, and fair margins, without unfairly undercutting any marker player.

ii) Avoiding Exclusive Agreements

We have consciously refrained from entering into exclusive agreements with our out-grower farmers and customers that would restrict them from engaging with competitors. This ensures we don't engage in monopolistic practices and was clearly communicated to all relevant stakeholders during our regular engagement meetings.

iii) Focusing on Quality and Innovation

We've significantly invested in enhancing our product quality and developing innovative solutions that meet our customers' requirements. This commitment to excellence now gives us a strong competitive advantage in the market.

iv) Board Oversight and Ethical Standards

Our Board of Directors provides essential oversight, ensuring all our practices adhere to ethical standards and competition laws. They also actively identify opportunities for further leveraging our strengths within a competitive framework.

16.3 Statutory and Regulatory Compliance

We recognize that a robust statutory and regulatory compliance is fundamental to effective impact and risk management within the business. We maintain a structured approach to ensure strict adherence to all applicable legal requirements, both locally and internationally.

Our commitment to compliance is demonstrated by our diligent adherence to:

- **Tax Regulations:** We ensure full compliance with various tax obligations in Kenya.
- **Product Quality Standards:** We uphold rigorous product quality standards through certification with the Kenya Bureau of Standards (KEBS).
- **Environmental Compliance:** We conduct annual environmental audits to ensure adherence to environmental regulations as stipulated by EMCA 1999.
- **Health and Safety Standards:** We maintain high health and safety standards through annual audits and inspections that are submitted to Directorate of Occupational Safety and Health Services.
- **Employment and Working Conditions:** We adhere to all relevant employment and working condition regulations, ensuring fair and safe workplaces.

Furthermore, to reinforce our commitment to quality and food safety, we undergo regular third-party audits, including ISO 9001:2015 (Quality Management System), ISO 22000 (Food Safety Management System), Halal and Kosher certification. These certifications demonstrate our dedication to maintaining the highest industry & food safety standards while minimizing our operational risk.

16.4 Data Privacy & Protection



Kenya Bixa is a registered Data controller by office of the data protection commissioner in Kenya. The organisation prioritizes data privacy and protection as a core component of our governance and ethics strategy. We are committed to responsibly and securely managing customer, supplier, farmers and employee data.

Our data management strategies include:

- ❖ **Robust Privacy Policies:** We have implemented comprehensive data privacy policies that align with Kenya's Data Protection Act, 2019, and the General Data Protection Regulation (GDPR) for our international operations. These policies govern data collection, processing, storage and sharing, ensuring compliance with legal requirements and granting individuals control over their personal information.
- ❖ **Stringent Data Security:** We employ robust data security measures, including encryption, secure servers, and access controls, to protect sensitive information from unauthorized access, breaches, and misuse.
- ❖ **Comprehensive Employee Training:** We provide regular training to employees handling personal or confidential information, ensuring they understand their responsibilities in data privacy and protection.
- ❖ **Data Breach Response Plan:** We have established a comprehensive data breach response plan to mitigate damage, notify affected parties and report incidents to relevant authorities.
- ❖ **Due Diligence and Contractual Safeguards:** We are committed to conducting thorough due diligence with stakeholders and third parties and we will incorporate clear data management expectations into our contractual agreements.

During this reporting period, we received zero complaints regarding customer privacy breaches and experienced no identified data leaks, thefts, or losses within the business.

17 Sustainable Products and Supply Chain

17.1. Product Quality and Safety

We are committed to ensuring that our products meet the highest standards of quality and safety, safeguarding both the health of consumers and the integrity of our brand. As a food ingredient supplier, our Bixa products adhere to stringent food safety regulations and quality control measures across our production processes.

Our approach to food quality and safety is aligned with industry best practices and complies with national and international standards. By adopting these measures, we protect public health, ensure compliance with legal requirements and build consumer confidence in our products. These approaches include:

- ❖ We follow rigorous food safety management protocols, including adherence to international standards such as the Hazard Analysis and Critical Control Points (HACCP), ISO 22000 standards for Food Safety Management Systems and ISO 9001 for quality management systems. Our transition to Food Safety System Certification (FSSC) and QMS recertification demonstrated continued adherence to quality control and assurance measures. These systems ensure that potential hazards are identified, monitored and controlled throughout the production process. 100% of our products underwent quality and safety assessments, ensuring compliance with food safety regulations and standards.
- ❖ All our products are subjected to comprehensive quality testing at various stages of production, from raw material sourcing to final product packaging. We collaborate with third-party laboratories to verify that products meet both national and international safety standards, in addition to our in-house laboratory which enables us to do regular quality monitoring and control for every batch of production. We proudly hold the KEBS Standardization Mark, as well as Kosher and Halal Certifications, affirming the universal quality and acceptability of our products. In **2024**, our operations were audited by regulatory authorities, and we achieved full compliance with no significant food safety violations reported. As a result, our products got the Diamond Mark of Quality from the Kenya Bureau of Standards (KEBS).

- ❖ Our facility is also registered with the U.S. Food and Drug Administration and with the Import Promotion Desk (IPD) of the German Wholesale, Foreign Trade and Services Association and the Development Organization of German Industry
- ❖ In **2024**, we delivered training programs for a total of 24 on food safety system. The training focused on various aspects of food safety regulations, best practices in hygiene, and the proper handling of food products.
- ❖ In the unlikely event of a product recall, we have established robust procedures to ensure a swift and efficient response. These include tracing affected products, notifying customers and authorities, and implementing corrective actions to prevent future incidents. No product recalls or safety incidents were reported during the year.
- ❖ We implement full traceability systems to track the origin, processing, and distribution of our products. This ensures transparency throughout the supply chain and enables us to respond swiftly in the event of any food safety concerns.

Kenya Bixa remains dedicated to the continuous improvement of our food safety and quality management systems. We actively participate in industry forums and engage with regulatory bodies to stay ahead of new trends and requirements in food safety.

In the coming years, we will continue to invest in advanced technology and employee training to further strengthen our food quality and safety practices as well as traceability systems.

17.2. Product Labeling and Marketing

We continue to uphold the highest standards of product transparency through communication and labeling and responsible marketing practices. Our measures include:

- ❖ We ensure that customers have all the necessary information to make informed decisions on our products. We provide comprehensive labeling on our products in adherence to relevant labeling regulations and ensure that our packaging aligns with consumer expectations for transparency and quality. Our labeling covers the sourcing and components of the product, usage instructions, safety information, and safe disposal of the packaging material.
- ❖ Our marketing practices are aligned with ethical standards to avoid misleading claims and ensure that our customers receive accurate information about our products. We adhere to national advertising laws and promote transparency in all marketing efforts.

We had zero incidents of non-compliance related to labeling and marketing reported during the reporting period.

Going forward, we aim to improve our labeling transparency, including additional sustainability data and practices.

17.3. Supply Chain Transparency and Traceability

At Kenya Bixa, we recognize the critical importance of supply chain transparency and traceability in driving sustainability across our operations. As part of our commitment to responsible sourcing, we aim to ensure that each stage of our Bixa production, panning from raw material cultivation to processing and delivery meets the highest quality, environmental and social standards.

In 2024, we promoted specific initiatives to enhance the visibility of our supply chain and influence responsible business practices. These included:

- ❖ Carefully selecting suppliers who align with our ethical, environmental and social standards. We use a Supplier Code of Conduct and a checklist that includes guidelines on labour practices, environmental stewardship, human rights, and anti-corruption measures that the suppliers are expected to commit to before their engagement.
- ❖ We keep track of the origin of raw materials like Bixa seeds for quality reasons as stipulated in our food quality and safety policies and guidelines.
- ❖ Where possible, we source our raw materials locally, reducing the carbon footprint associated with transportation while building and supporting local economies. This also enables us to have a closer oversight over our supply chain operations.

Going forward, we will strengthen our visibility and seek to gain more leverage by:

- ❖ Conducting regular quality audits of our suppliers to ensure that raw materials meet our quality and safety requirements. This will help mitigate risks related to substandard or unsafe materials entering the production process.
- ❖ Conducting key supplier assessments focusing on environmental impact, labour conditions, and ethical business conduct ensuring that they comply with Kenya Bixa's Supplier Code of Conduct.

- ❖ Improving our tracking and traceability systems that allow for real-time data collection on farming inputs, harvesting methods, and processing standards, ensuring product quality and sustainability compliance throughout the supply chain.

By strengthening our supply chain transparency and traceability, we will not only ensure the integrity of our products but also contribute to the creation of a more ethical and sustainable value chain.

18. Economic Performance



18.1. Local Inclusion and Investment

We consider inclusive economic growth a cornerstone for long-term sustainability and shared prosperity. Our commitment is expressed through the way we do business, including the design and implementation of our operations and relationships within our value chain, ensuring that all stakeholders, especially the vulnerable and marginalized groups, have equitable opportunities to access the benefits of economic development.

We promote inclusive growth through quality job creation, supporting local business through procurement, and enabling sustainable livelihoods through long-term, mutually beneficial partnerships like the out-grower program. Our approach aligns with the Sustainable Development Goals (SDGs), particularly those targeting poverty reduction, decent work, economic growth, and inequality reduction.

In 2024, we expanded our efforts to enhance economic inclusion throughout our business, with a focus on intensifying local engagement, increasing access to essential services, and investing in sustainable local economic development opportunities. These efforts reflect our broader goal of creating shared value and contributing meaningfully to the social and economic well-being of the communities we serve.

A key component of this strategy was the long-term engagement with smallholder out-growers. The farmers were guaranteed market access and fair pricing for annatto seeds, providing them with a stable and predictable income. This income stability allowed 9000 farmers to reinvest in their farms and meet household needs.

The company also prioritized local employment, drawing 100% of its workforce from communities near its operations. This ensured that local households directly benefited from formal job opportunities, contributing to steady income generation and the development of transferable skills.

Kenya Bixa actively supported local businesses by sourcing goods and services from providers within the region. 97% of the total suppliers in 2024 were local, constituting 98% of the total procurement value. This approach strengthened local value chains and retained procurement spending within the community, enhancing local economic resilience.

To further boost economic confidence, the company upheld a practice of fair and timely payments to both suppliers and farmers.

Prompt payment cycles improved cash flow, enabling partners to manage operations more effectively and plan for future growth. The average payment turnaround time in 2024 was 30 days.

Kenya Bixa's commitment to economic development extended beyond commerce through investment in community infrastructure and social services. The implemented corporate social responsibility (CSR) interventions contributed indirectly to local economic growth and well-being. These initiatives have been summarized as follows:

- We sponsored five students (3 males and 2 females) from local secondary schools in 2024 partially paying their tuition fees as a continuation of our commitment to advancing education. This support reduced the financial burden on families, enabling the students to continue their studies and build a foundation for future opportunities.
- To promote youth development and community engagement, we provided football kits to two local youth clubs. This initiative enhanced their participation in recreational activities that strengthen community relations and discipline among young people.
- We extended medical support to two individuals within the local community. These interventions provided timely healthcare assistance, contributing to improved well-being and relief for the affected families.
- Kenya Bixa supported Vision Children's Home by providing food supplies. This contribution helped meet the nutritional needs of children in the facility, improving their health and supporting a more stable living environment.
- The company sponsored three local security events organized by the South Coast Joint Security Forums. These events strengthened community safety initiatives and fostered collaboration among local security stakeholders, enhancing public security awareness and preparedness.
- Kenya Bixa's borehole project continued to provide clean and reliable water access to over 100 households in Simkumbe Village. This initiative has significantly reduced water scarcity, improved hygiene, and eased the domestic water collection burden, particularly for women and children.
- Fifteen local vegetable farmers, the majority being women, received organic manure to support their farming activities. This intervention led to improved soil health, enhanced crop productivity, and contributed to women's economic empowerment through increased food production and income generation.

Together, these initiatives form a comprehensive approach to building local economic resilience, rooted in inclusion, sustainability, and long-term impact.

We continue to assess the impact of our economic strategies and actively seek feedback from stakeholders to ensure we are responding to real needs. Our goal is to remain a catalyst for economic empowerment within the regions where we operate.

18.2. Advancing Food Security

We view food security as a foundational element of community resilience and sustainable development. While our primary product, annatto, is not directly consumed as food, the nature of our operations and our close partnerships with smallholder farmers uniquely position us to contribute to improved food availability, accessibility, and sustainability in the regions where we work.

Our food security strategy focuses on strengthening local food systems through sustainable agriculture, stable livelihoods, and responsible resource use. We aim to empower farming communities not just to grow annatto for commercial purposes, but also to enhance their own household nutrition and food production capacity. By improving agricultural productivity and environmental stewardship, we contribute to more stable and sufficient food supplies at the local level.

In 2024, we actively promoted intercropping practices among our out-grower farmers. By growing food crops alongside annatto, farmers maximized land use and ensured better household access to diverse and nutritious food. This not only supported food self-sufficiency but also reduced reliance on market purchases, making farming more sustainable.

Our out-grower model continues to offer farmers a reliable source of income, which can be reinvested into food production or used to purchase food and farming inputs. This economic stability is especially vital in areas where subsistence farming alone is insufficient to meet household nutritional needs.

To improve soil health and boost vegetable farming, we supported 15 women farmers in the community with access to organic manure. This initiative enhanced soil fertility, leading to better crop yields for both household consumption and sale. The use of organic inputs also contributes to long-term land productivity, helping farmers maintain viable agricultural practices over time.

Looking ahead, Kenya Bixa aims to expand its food security impact by strengthening collaborations with local agricultural and food security stakeholders, scaling up training on diversified farming practices, and adopting innovative models that build resilience. Our long-term goal is to support the development of robust local food systems that ensure community nutrition, economic inclusion, and sustainable rural livelihoods.

From soil to sustenance: Mama Fatma's story of growth and empowerment

Simkumbe, Kwale County

In the quiet village of Simkumbe, in Kenya's coastal region, Mama Fatma wakes up with the sun. For years, her tiny plot of land had failed to produce enough vegetables to feed her family, much less to earn any money. But in 2024, that began to change.

Mama Fatma was one of 15 women farmers in the locality who received organic manure in a community-based program by Kenya Bixa which seeks to promote sustainable agriculture and women's empowerment. What started out as a minimal gesture, just a couple of bags of compost that were rich in nutrients, transformed into a catalyst for growth, not only for growing her crops, but also for her family's economic stability and her standing in the community.

"Before, the land was tired," she says, kneeling among straight beds of Sukuma wiki and amaranth. "I would sow and pray, but it was a meagre harvest.

The organic manure improved the quality of her soil almost immediately. Within a few weeks of planting, her vegetables were flourishing. With higher yields came new opportunities. She was no longer growing only for subsistence; she began selling the surplus in the village market, earning an income from the sales.

For Mama Fatma, the effects were more than just about food and money. "Now, I walk with pride. The food that comes from my garden not only feeds my family, but my neighbours as well," she says, smiling.

The effort also had a ripple effect. Bolstered by her success, other women in the area started using composting and soil improvement methods, and a small but significant wave of sustainable farming began. Through this initiative, these local farmers are not only farming more but also learning how to run their farms as successful businesses.



Harvesting more than colour: Khadija's journey towards food security

Shimba Hills, Kwale County



Khadija walks between rows of Bixa trees, their distinctive red pods swaying lightly in the wind. Nestled between the annatto plants, she's growing maize, eggplant, cowpeas, cassava and oranges, an approach that she recently adopted.

Khadija is an out-grower farmer with Kenya Bixa. Having just relocated to her rural home to tender to her Bixa farm, she has become an early adopter of intercropping, growing food crops alongside Bixa trees, an initiative introduced to improve land productivity and household food security. What started as a trial to "make the most of her land" quickly became a lifeline for her family.

"I used to plant Bixa in one corner and food in another," she says. "But there was never enough land or resources. When I learnt that both could grow together, I saw a new path."

The impact was swift. By planting food crops in the spaces between her Bixa trees, Khadija has been able to double her harvest without expanding her acreage. The maize provided her family with flour for months. The cowpeas became both food and a source of income. And the cassava, drought-resistant and hardy, ensured she had something to fall back on even when rains failed.

"Now, my family doesn't go hungry. I can cook what I grow, and I sell the rest in the market," she says, carefully reaching out to pick ripe oranges from the tree.

But the benefits go beyond nutrition. As part of the Kenya Bixa out-grower model, Khadija earns a reliable income from her annatto sales, which she uses to buy seeds and address her other investment needs.

This financial stability has freed her from relying solely on unpredictable food markets and allowed her to farm more intentionally, for both profit and survival.

Intercropping has also helped the environment. The diversity of plants improves soil health, reduces erosion, and lessens the need for chemical inputs. Khadija is now passing these lessons on to her neighbours, some of whom have started shifting their farming practices.

With thriving fields and a food-secure household, Khadija's testament is a case study of how sustainable farming practices can turn a humble farm into a model of resilience, security, and sustainable growth.



19. Gri Content Index

Statement Of Use						
GRI I used						
GRI I: Foundation 2021						
Applicable GRI Sector Standard(s)						
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SEC TOR STA NDA RD REF. NO.
			REQUIREM ENT(S) OMITTED	RE AS ON	EXPLANA TION	
General disclosures						
GRI 2: General Disclosures 2021	2-1 Organizational details	Page 12				A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.
	2-2 Entities included in the organization's sustainability reporting	Page 5				
	2-3 Reporting period, frequency and contact point	Page 5 Page 105				
	2-4 Restatements of information	No restatements				
	2-5 External assurance	No external Assurance				
	2-6 Activities, value chain and other business relationships	Page 12				
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	2-10 Nomination and selection of the highest governance body	Page 16-18			
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	2-15 Conflicts of interest	Page 16 – 18			
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	2-18 Evaluation of the performance of the highest governance body	Page 16 – 18			
	2-19 Remuneration policies	Page 16 – 18			
	2-20 Process to determine remuneration	Page 16 – 18			
	2-21 Annual total compensation ratio	Information not available			

	2-22 Statement on sustainable development strategy	Page 23 - 26				
	2-23 Policy commitments	Page 23 - 26				
	2-24 Embedding policy commitments	Page 23 - 26				
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	2-26 Mechanisms for seeking advice and raising concerns	Page 72 - 73				
	2-27 Compliance with laws and regulations	Page 77				
	2-28 Membership associations	Page 15				
	2-29 Approach to stakeholder engagement	Page 29 - 32				
	2-30 Collective bargaining agreements	Page 69				
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GRI 3: Material Topics 2021	3-1 Process to determine material topics	Page 34	<i>A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.</i>			
	3-2 List of material topics	Page 35				
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GRI 3: Material Topics 2021	3-3 Management of material topics	Page 34 - 35				
GRI Economic Performance 2016	201-1 Direct economic value generated and distributed	Page 84 - 86				
	201-2 Financial implications and other risks and opportunities due to climate change	Information not available				

	201-3 Defined benefit plan obligations and other retirement plans	Page 66				
	201-4 Financial assistance received from the government	No funds received				
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GRI 3: Material Topics 2021	3-3 Management of material topics	Page 34 - 35				
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Page 70				
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GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Page 84-85				
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GRI 3: Material Topics 2021	3-3 Management of material topics	Page 34 - 35				
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Page 84				
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GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Page 75 - 76				
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GRI 3: Material Topics 2021	3-3 Management of material topics	Page 34 - 35				
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Page 76 - 77				
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GRI 207: Tax 2019	207-1 Approach to tax	Page 77				
	207-2 Tax governance, control, and risk management	Page 16 - 20				
	207-3 Stakeholder engagement and management of concerns related to tax	Page 29 - 32				
	207-4 Country-by-country reporting	Not applicable	Entity operates in 1 country			
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GRI 301: Materials 2016	301-1 Materials used by weight or volume	Page 48 - 50				
	301-2 Recycled input materials used	Page 60				
	301-3 Reclaimed products and their packaging materials	Not applicable	No reclaimed products			
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GRI 302: Energy 2016	302-1 Energy consumption within the organization	Page 50				
	302-2 Energy consumption outside of the organization	No energy use outside the organization				
	302-3 Energy intensity	Page 50				
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GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Page 58				
	303-2 Management of water discharge-related impacts	Page 60				
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	303-4 Water discharge	Page 59				

	303-5 Water consumption	Page 58				
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GRI 3: Material Topics 2021	3-3 Management of material topics	Page 34 – 35				
GRI Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	None				
	304-2 Significant impacts of activities, products and services on biodiversity	Page 62				
	304-3 Habitats protected or restored	Page 62				
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	None				
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GRI 3: Material Topics 2021	3-3 Management of material topics	Page 34 - 35				
GRI Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 53				
	305-2 Energy indirect (Scope 2) GHG emissions	Page 55				
	305-3 Other indirect (Scope 3) GHG emissions	Scope 3 emissions are currently not tracked				
	305-4 GHG emissions intensity	Page 55				

	305-5 Reduction of GHG emissions	Page 56				
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	305-7 Nitrogen oxides (NO _x), sulphur oxides (SO _x), and other significant air emissions	Not applicable				
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GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Page 81				
	308-2 Negative environmental impacts in the supply chain and actions taken	None				
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GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Page 66				
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 66				
	401-3 Parental leave	Page 66				
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GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Page 66				
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GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Page 67				
	403-2 Hazard identification, risk assessment, and incident investigation	Page 67				
	403-3 Occupational health services	Page 67				
	403-4 Worker participation, consultation, and communication on occupational health and safety	Page 67				

	403-5 Worker training on occupational health and safety	Page 67				
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	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 67				
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	404-3 Percentage of employees receiving regular performance and career development reviews	Page 71				

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GRI 3: Material Topics 2021	3-3 Management of material topics	Page 34 - 35				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Page 17 Page 68				
	405-2 Ratio of basic salary and remuneration of women to men	Information not available				
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GRI 3: Material Topics 2021	3-3 Management of material topics	Page 34 – 35				
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Page 68				
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GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Page 69				
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GRI 3: Material Topics 2021	3-3 Management of material topics	Page 34 - 35				
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Page 67 - 68				
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GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Page 67 - 68				
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GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Page 71 - 72				
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GRI 3: Material Topics 2021	3-3 Management of material topics	Not applicable	The company operates where there are no indigenous people			
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Not applicable				
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GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Page 84 - 85				
	413-2 Operations with significant actual and potential negative impacts on local communities	None				
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GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Page 81 - 82				
	414-2 Negative social impacts in the supply chain and actions taken	None				
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GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Page 79 - 81				
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Page 80				
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GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Page 80 - 81				
	417-2 Incidents of non-compliance concerning product and service information and labeling	Page 81				

	417-3 Incidents of non-compliance concerning marketing communications	Page 81				
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GRI 3: Material Topics 2021	3-3 Management of material topics	Page 34 - 35				
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We'd appreciate your feedback:

We welcome feedback from our stakeholders on our subsequent Sustainability Report. Please share your comments and insights with our team for consideration.

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