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# Sasini showcases role in economy with its first Sustainability Report

Nairobi Securities Exchange-listed company influences the country's growth, environment and people through its business activities

## ACCOUNTABILITY LINET OWOKO

Sasini PLC's inaugural Sustainability Report lays bare the company's impact on the economy and provides transparency to its business partners and customers on its contribution to sustainable development.

The Nairobi Securities Exchange-listed company has managed to influence the economy, environment and people through its business activities, which mainly involve tea, coffee, avocado and macadamia nuts as it focuses on driving sustainable development.

Dr James Boyd McFie, the Sasini PLC board chairman, says the business demonstrated resilience and agility, which contributed to the company's successful year with impressive results despite the challenges presented by the business environment, climate change, externalities like inflation and high costs of farm inputs, among other factors.

"As a result, The Group was able to post a record profit after tax of Sh1.168 billion against the previous year's profit of Sh573.2 million. The tea, coffee and macadamia business units were able to withstand the externalities and returned impressive results," said Dr McFie.

The company's efforts to enhance sustainability in its operations have also been recognised at the global level where Mr Martin Ochien'g, the Group Managing Director, has had the honour and privilege of being appointed to serve on the Global Compact Network Kenya Board as a Director since November 2019, and as Board Chairman since August 2022.

The launch of the report comes at a time governments, stock exchanges, market regulators, investors, civil society and other stakeholders are demanding more and better information on the sustainability impacts of businesses.

As Environmental, Social, and Governance (ESG) issues become more prominent in the global economy, there is an increasing uptake of various forms of ESG reporting by corporates aimed at disclosing to stakeholders, and how ESG issues are managed within the organisation.



## Our key focus areas in sustainability span climate change management, responsible and sustainable sourcing, water conservation, waste management and empowering communities

In 2021, the NSE published a new ESG guide to enable Kenyan companies to be accountable for their impact while increasing their competitiveness in the global marketplace

NSE believes that ESG reporting provides a framework through which investors, owners of capital and the public at large can have a more comprehensive view of the company's activities and performance, beyond its financial numbers.

By issuing these guidelines, the NSE aims at improving and standardising ESG information reported by listed companies in Kenya, of which Sasini PLC is one.

Sasini has also heeded the universal call by the United Nations "to end poverty, protect the planet and ensure that

all people enjoy peace and prosperity by 2030" by embracing the 17 Sustainable Development Goals (SDGs) adopted by all United Nations member states where Kenya is a member. The ideals of SDGs by the UN are very critical to the organization's business growth.

The agricultural firm has stood up in the employment sector, employing up to 2,710 people in 2022, an increase from 2,575 in the previous year, as it seeks to end poverty mainly across its areas of operation.

In addition, the firm has also developed a housing policy that ensures its staff members live in healthy conditions to be able to provide the best services at work.

### Leadership positions

At Sasini, women represent 40 percent of the company's senior leadership positions.

To ensure environmental sustainability, Sasini PLC, through tree-growing programs, and projects like riparian areas planning and management, and water catchment conservation, hopes to ensure that the environment is well conserved in compliance with the requirements of the Environmental Management and Co-ordination Act in Kenya.

To show its commitment to reducing greenhouse gases, Sasini in January 2023 launched a 1.5-megawatt solar power generation plant to accelerate its

journey to transitioning to the use of clean energy.

"We aspire to maintain a lower than reasonable carbon footprint. The trees from the forests in our tea operations are also used as wood fuel to fire boilers in the tea factories and the carbon dioxide gas emitted is naturally absorbed by the growing trees in adjacent forests. We ensure sustainable use of this source of fuel by actively and strategically planning and planting forests in all our operational estates," says Sasini.

### Business problem

Mr Ochien'g says climate change plays a big role in the business and it's no longer just an environmental challenge but a business problem too. However, he adds, as a company, they are committed to keeping improving by pushing boundaries and aiming for a better environment for their stakeholders.

"We believe in doing business responsibly and sustainably. Our key focus areas in sustainability span climate change management, responsible and sustainable sourcing, water conservation, waste management, and empowering communities," he says.

Through sustainability, Sasini has managed to stay within the elite club of firms within the competitive market attracting new customers in local and export markets which has in turn led to improved revenues and profits, as well as enhanced brand value.

Sasini is a global agricultural giant with a market reach in South East Asia, Asia, North Africa, Europe, the Middle East and North America.

About 99 percent of the tea production is exported to the United Kingdom, Europe and the Middle East while about 90 percent of their coffee is exported directly to overseas roasters and trade houses across Europe, Asia and America. Their fruits go predominantly to Europe and the nuts to North America.

When it comes to education, the listed company believes that education is truly one of the most powerful instruments for reducing poverty and inequality and it sets the foundation for sustained economic growth.

The company is heavily investing in learning facilities within its tea operations, having many primary schools and secondary schools to support education and community development.

Sasini Group Managing Director Martin Ochieng' (third left) during the launch of the company's Sustainability Report 2022. With him, from left, are event hostess Yvonne Okwara, United Nations Global Compact Executive Director Judy Njino, EABL Group Managing Director and CEO Jane Karuku, Standard Chartered Managing Director Kariuki Ngari and HACO Industries Managing Director Mary-Ann Musangi.

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