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Protos Pulse

Measuring and Telling Impact the Protos Way.

Foreword

At Protos Capital, we believe that sustainable transformation begins with intention — and is sustained through strategy, partnerships, and purpose-driven leadership.

As we share our first newsletter, The Protos Pulse, I am deeply encouraged by the strides we have made in anchoring Environmental, Social, and Governance (ESG) principles in mindsets within boardrooms and in real business operations in manufacturing, agriculture, banking, insurance, pension funds, community based organizations and in regulatory policy.

This edition reflects our commitment to building ecosystems of impact — where financial resilience goes hand in hand with social responsibility and environmental stewardship.

This is what our work looks like at Protos Capital.

It is more than advisory and metrics. It is about curating practical solutions that meet the needs of our partners and clients to solve the business challenges of our time — and to do so with clarity, courage, and meaning.

As we look ahead, I invite you to walk with us. Let us continue to measure impact not only in numbers, but in lives improved, communities empowered, and futures protected.

Market Spotlight:

ESG Success in East and Southern Africa

In today's dynamic financial landscape, sustainability is no longer optional—it is a strategic imperative.

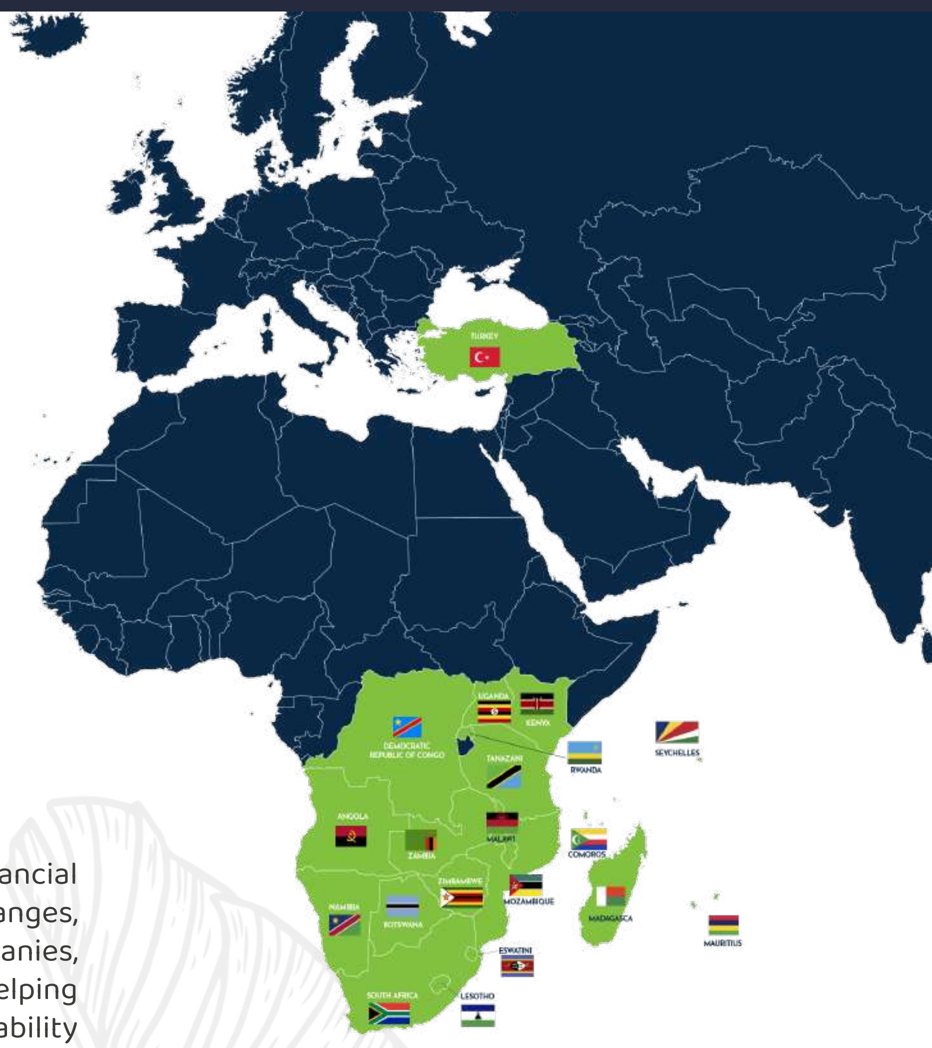
Protos Capital is proud to be at the forefront of this transformation, supporting institutions across East and Southern Africa to integrate Environmental, Social, and Governance (ESG) principles into their core operations.

Through targeted training, policy interventions and bespoke advisory services, we have catalyzed real value creation across the region.

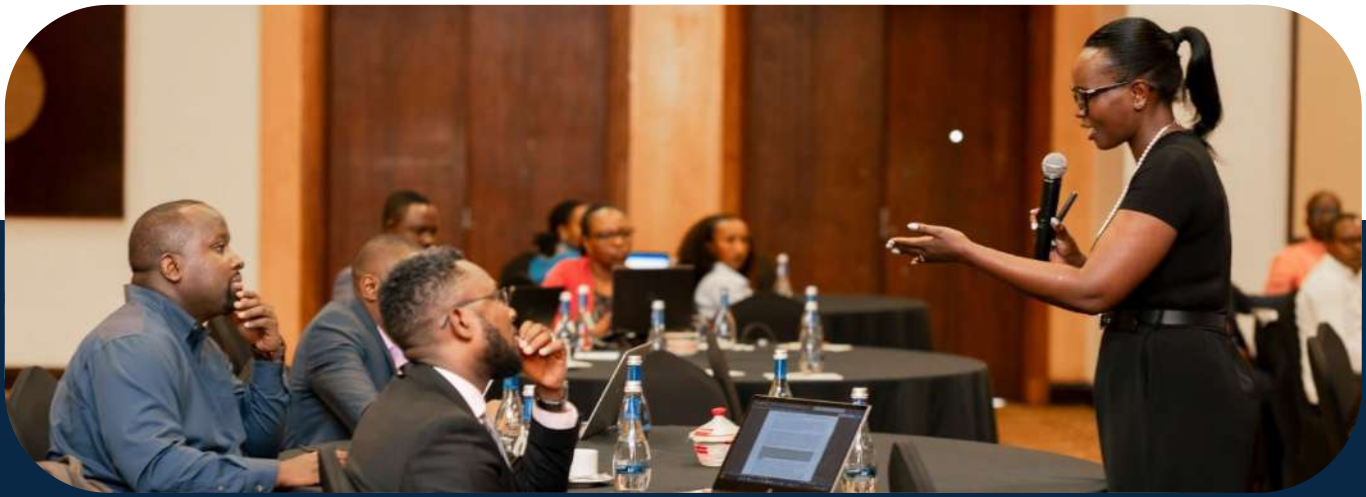
A Footprint Across 16 African Countries

Protos Capital's sustainability advisory and training services have made a significant impact in 16 countries, covering key economies in both East Africa (including Kenya, Uganda, Tanzania and Rwanda) and the entire 14 capital markets in the Southern African Development Community (SADC) region.

This includes strategic interventions in financial institutions such as stock exchanges, commercial banks, insurance companies, pension funds, and stock exchanges, helping them align with global sustainability frameworks and respond to the growing demands of responsible investing.



Delivering Tailored Sustainability Solutions



Our approach is rooted in understanding the local context while bringing global best practices to the table. We've worked closely with boards, executive leadership, and operational teams to deliver:

Impacting Financial Markets and Institutions

In Kenya, our work with leading banks and insurance companies has led to the development of internal sustainability strategies, ESG risks assessments, climate scenario and stress-testing tools and opportunities capture and implementation.

In **Uganda**, our work with the Deposit Insurer and financial institution has led to the development of responsive strategies that would safeguard deposit funds, resolution management and guarantee stable and resilient financial systems and liquidity in fund management.

In **Rwanda**, we have supported sustainability policy development by the Rwanda Stock Exchange, capacity building and technical assistance for listed companies and market research readiness for green issuances.

In **Tanzania**, our work with a leading avocado grower and exporter underscores the essence of food safety, ethical farming and sustainable agriculture rooted in community wellbeing and environmental stewardship.

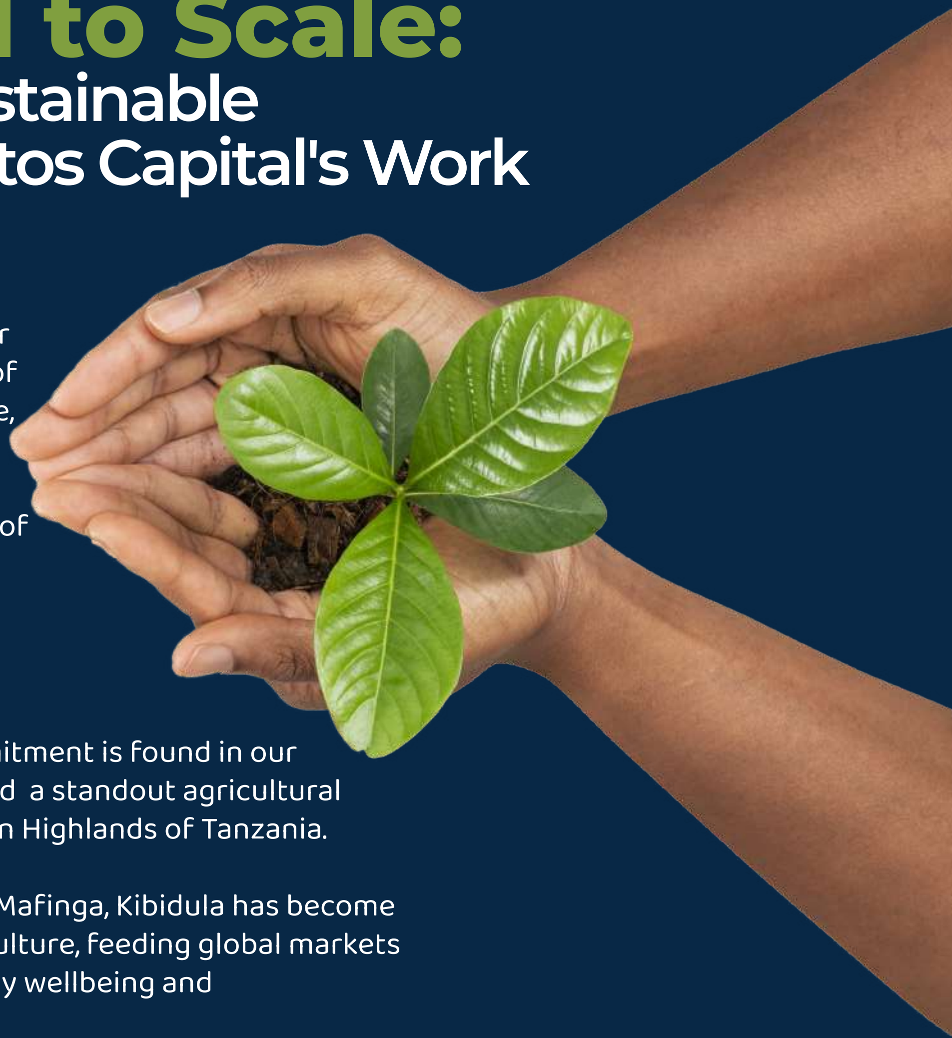
In **Namibia and Zambia,** we have supported pension sector reforms and capacity building on sustainability compliance and governance for Trustees, Fund Managers and Pension Administrators.

In **Zimbabwe**, our work with the largest banking institution resulted in climate risks understanding, mapping and transition planning.

Across the **14 SADC** Capital Markets, our partnerships have yielded transformative outcomes that include:

- **Stock exchanges** in multiple countries are better equipped to guide listed companies on sustainability reporting and ESG compliance.
- **Pension funds** have adopted responsible investment principles, aligning portfolios with climate-resilient and socially impactful assets.
- **Insurance companies** are now integrating ESG risk into underwriting and investment decisions, bolstering resilience and long-term value.

From Soil to Scale:
Supporting Sustainable AgricultureProtos Capital's Work in Tanzania



Food safety is more than a matter of nutrition — it's a critical pillar of public health, economic resilience, and sustainable development.

Protos Capital is at the forefront of promoting and advancing ethical and sustainable farming.

A powerful example of this commitment is found in our partnership with Kibidula Farm Ltd a standout agricultural enterprise nestled in the Southern Highlands of Tanzania.

Operating on over 4,700 acres in Mafinga, Kibidula has become a benchmark in sustainable agriculture, feeding global markets while staying rooted in community wellbeing and environmental stewardship.

The Challenge: A Sector Under Pressure

Across Africa, and especially in peri-urban regions like Kiambu (Kenya), food production is increasingly marred by shortcuts, from overuse of chemicals to poor animal welfare — all driven by market pressures and a lack of scientific training.

This has contributed to an alarming rise in lifestyle-related diseases and eroded trust in the food value chain.

Yet in this challenging landscape, Kibidula is proving that a different model is not only possible but profitable.

The Kibidula Model: Science, Integrity, and Impact

Kibidula grows avocadoes for high-demand international markets including India, Dubai, and Kenya (for oil extraction), while serving local wholesalers, schools, and communities. Their approach is rooted in the following:

• **Science-led production:** Regular soil tests, zero synthetic chemicals, and integration of nature-based pest control methods.

• **Smallholder empowerment:** Transparent, timely payments based on export market value, and zero tolerance for premature or chemically-altered harvests.

• **Human capital investment:** Through Kibidula Agricultural Technical Centre (KATC), young people aged 14–18 gain certified skills in agriculture, opening doors to dignified livelihoods.

• **Community enrichment:** Weekly produce donations to orphanages and schools, sponsorship of an English-medium primary school, and free farmer literacy sessions.

• **Environmental stewardship:** Only 16% of the land is under cultivation, preserving biodiversity and minimizing ecological disruption.

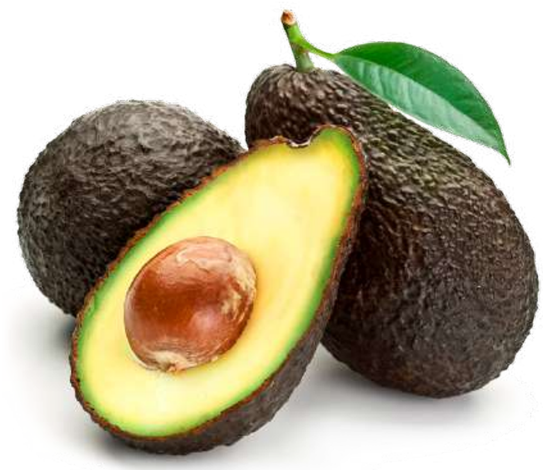
What is remarkable is that Kibidula has achieved all this despite the natural limitations of its soil — poor in moisture retention and lacking key nutrients. This transformation is a testament to deliberate, knowledge-based, and mission-driven farming.

A Shared Vision for Regional Food Security

Protos Capital's role has been to support this ethical value chain through financial and strategic advisory that aligns business outcomes with social and environmental returns and positions Kibidula to attract impact investment.

Kibidula is not just producing food — it's producing trust, stability, and a scalable model for agricultural transformation.

In line with the theme of the 2025 World Food Safety Day, we call upon policymakers, agri-preneurs, and consumers alike to rethink food systems.



The future of agriculture in Africa must be rooted in transparency, youth development, and long-term sustainability — as exemplified by Kibidula Farm.

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Food safety doesn't begin in the kitchen. It begins with conscious farming.

Community Capital:
Stories of Local Impact

Protos Capital, in separate partnership with Tuifund and Invest in Africa, led transformative sustainability training programs that attracted Eighty (80) Community-Based Organizations (CBOs) and Twenty Five (25) Women-led SMEs across Kenya, respectively.

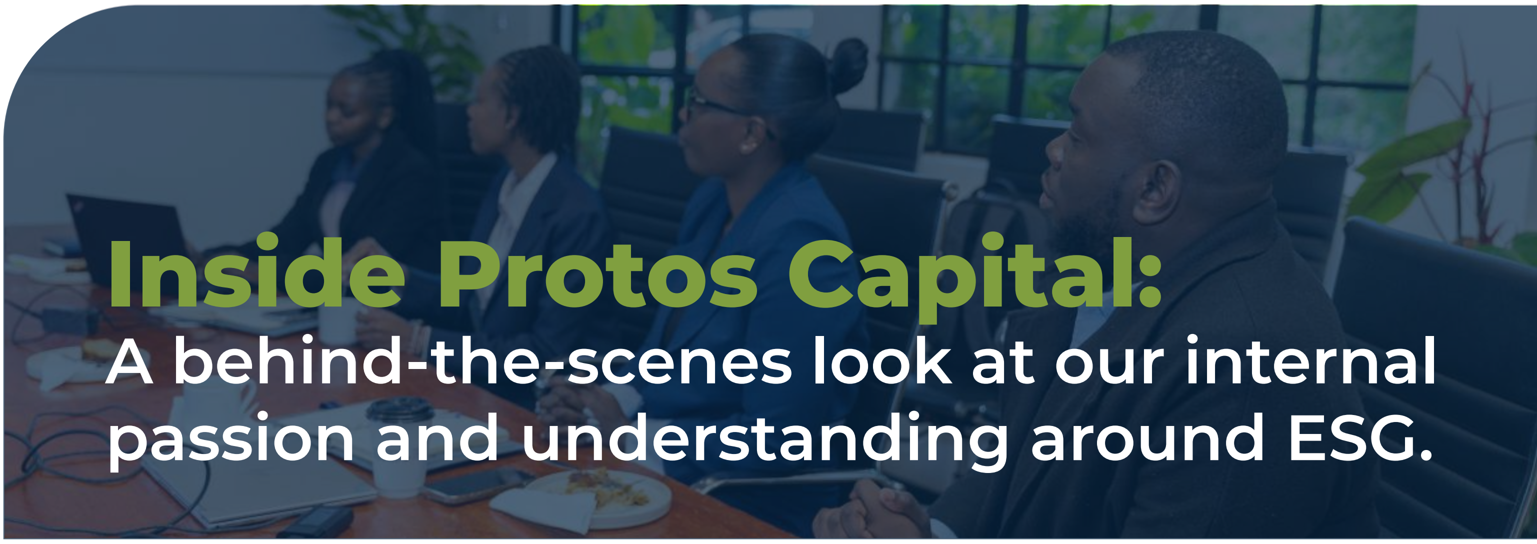
This initiative marked a significant step toward equipping grassroots leaders and SMEs with the knowledge and tools to drive sustainable change from the ground up.

A key outcome of the program was helping CBOs understand how to position themselves for impact funding. Many of these organizations have compelling stories and deep community roots but lacked the technical know-how to communicate their value to funders and partners.

By guiding them on ESG reporting, stakeholder engagement, and outcome measurement, Protos Capital and Tuifund enabled these CBOs to strengthen their credibility and visibility.

Early results have been grants and funding from impact funds to the CBOs and SMEs to scale impact. Technical assistance to build sustainable revenue models, resilient programs and greater accountability are notable outcomes.

This training underscores Protos Capital's belief that real, lasting impact begins at the community level — with empowered local institutions leading the way.



Inside Protos Capital:
A behind-the-scenes look at our internal passion and understanding around ESG.

Have you come across a behind-the-scenes in the sustainability space? For experts here at Protos Capital, this is not just a job, it's calling. Beyond the policies and data, it's a mission that moves us towards committing to sustainable futures and transformational change within Africa.

For us the impact begins when compliance ends, and with this, we are passionate about understanding the people.

We are at the heart of empathy for communities, business ecosystems and the future generations that require stability for their survival.

We become aware of what our stakeholders require as we continue to recognize human rights, protection of the environment and shared prosperity through our inclusive approaches in catalyzing meaningful change inside businesses. Our backgrounds provide unique lenses towards sustainability. We have technical knowledge and skills that fuel our foundation.

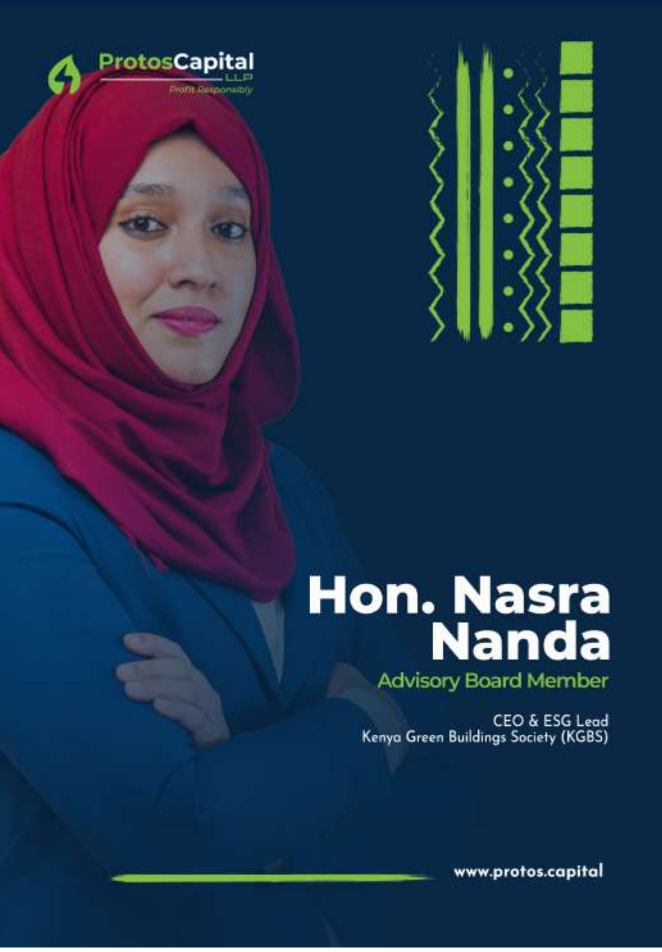
Our team of experts have diverse backgrounds from both academia and work that brings sharp solutions-based perspective to corporate sustainability challenges.

Our personal values, motivation and commitment are aligned to the vision and mission of the organization which make it easier and effortless in serving our clients with greater purpose.

We are committed to lifelong learning. We are avid in identifying the courses and topics of discussion to address our knowledge areas. This ensures that we are abreast of evolving climate science, regulations, industry and jurisdictional nuances, reporting mechanisms and stakeholders' needs that ensure we provide the best practices and most up-to-date guidance to our clients.

Therefore, with our understanding of sustainability, our passion and the incorporation of this mindset we have shaped how we think and act.

We have embraced it within our culture, processes, procedures and stakeholder engagements that ensure any individual, organization and institutions who interact with us will feel the impact that we create as an organization in driving towards a sustainable world.



Women at the Forefront of Change

"Nasra is driven by the pursuit of making a positive impact particularly in the built environment. She is leading at the global front as the Chair of Africa Regional Network of Building Societies.

Women in Leadership has not been a new term, for decades we have observed an increase in women's leadership as they have been empowered to lead. Women leadership at Protos Capital LLP through our Board Director, Nasra Nanda and Managing Partner Loise Wangui has been game changing. These two are notable professionals consciously driving change within the sustainability space.

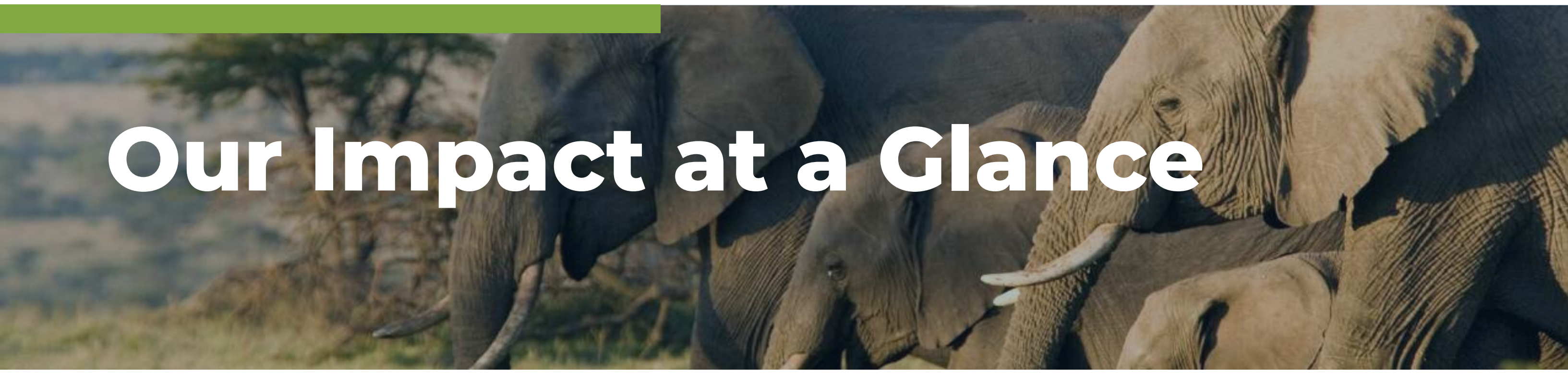
Nasra considers sustainability from both an individual and corporate perspective, focused on ensuring every human being can have access to dignified places to live in.

As a Board member but also the CEO of Kenya Green Building Society, Nasra is driven by the pursuit of making a positive impact particularly in the built environment. She is leading at the global front as the Chair of Africa Regional Network of Building Societies. That is the passion and insight she brings to the Protos Capital boardroom.

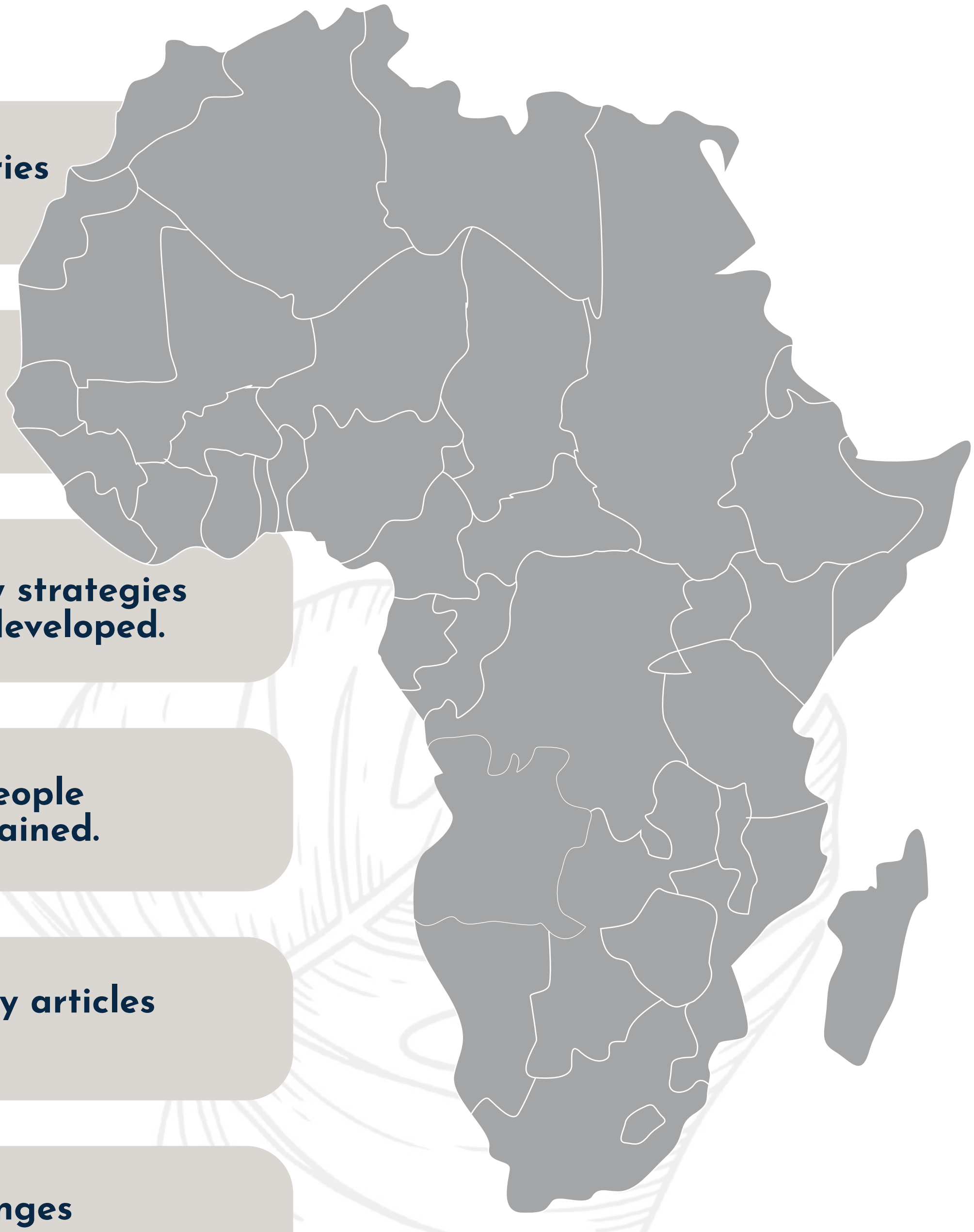
Loise contributes exemplary dedication, wholistic thinking, inclusivity, collaboration, mentorship, transparency, productivity and inspiration which are fundamental traits in the sustainability work force. She leads with purpose, empathy and utmost professionalism. This has not only positioned the Firm across the African region but has also allowed the team at Protos Capital to grow wholistically.

"As a leader in the sustainability space, I realize the responsibility on me and our team to be catalysts of change - to change mindsets, to change behavior and eventually change where and on what people spend their money. It required a lot of energy when we got started but the more we have kept moving, the more it has gotten easier to move. We live and serve on purpose."

-Loise



Our Impact at a Glance



16 African countries served.

30+ Clients served.

15 Sustainability strategies and reports developed.

1,847+ People trained.

72 Sustainability articles published.

16 Stock Exchanges Served.

Protos Pulse

Sustainable Finance in 2025:

What the Future Holds for Sustainable Capital

In 2025, sustainable finance is no longer a buzzword, it's becoming the backbone of resilient economies.

According to the African Development Bank, Africa will require over USD 1.4 trillion in investments aligned to climate risk mitigation by 2030 to meet its NDCs (Nationally Determined Contributions) under the Paris Agreement, a clear signal of the scale and urgency driving sustainable finance across the continent.
Kenya and regional peers are stepping up efforts to align capital with climate and development goals.

Driven by climate risks, ESG regulations and investor demand for responsible finance, governments and businesses across the continent are rethinking how they mobilize and allocate resources. From national taxonomies to green bonds the financial landscape is shifting and fast.

Why does this matter now? It matters because access to capital is increasingly tied to sustainability credentials. Banks, investors and even development finance institutions are integrating ESG considerations into funding decisions, influencing who gets financed and on what terms.

In this article, we explore five sustainable trends to watch in 2025, with a focus on Africa.

We break down what's emerging, what it means for your business or institution and how to stay ahead in a future where green is not just good, its bankable.

Sustainable finance refers to financial activities like investing, lending and insurance that consider environmental, social and governance factors alongside traditional financial metrics.
It's about making money without not just work for profit but also for people and the planet.

In practice this could mean funding regenerative agriculture, backing infrastructure that builds climate resilience or healthcare powered by reliable clean energy.

Sustainable finance offers a pathway to fund solutions that are both impactful and profitable.

In fact, funding of Africa's critical sectors hinges on ESG.

Sustainable Finance Taxonomies Go Local

With the launch of Kenya's Green Finance Taxonomy (KGFT) in 2024 and similar efforts across Africa, these tools are now being actively used to guide investment. Green finance taxonomies define what qualifies as a "green" activity, helping investors, banks and regulators identify truly sustainable projects.

The KGFT, developed with support from the European Investment Bank, classifies activities aligned with climate mitigation and adaptation, especially in sectors like energy, agriculture, water and transport.

Financial institutions and project developers will need to align funding proposals with the taxonomy's criteria. This will increase clarity but also demands better reporting and due diligence from businesses seeking capital.

Green Bonds Mature as Impact takes Centre Stage

Green bonds are not new, what's changing is the focus on measurable impact. Investors are demanding more than just "green-labelled" products; they want credible impact metrics and transparency.

According to a 2025 Financial Sector Deepening (FSD) Africa report, the regional green bond market has grown to approximately 76 issuances from about 40 issuing entities, including multi-laterals, governments and corporates (banks and businesses).

The growth in green bond issuances across Africa is largely driven by greater alignment with international standards and the establishment of local regulatory frameworks. Alignment with ICMA's Green Bond Principles ensures transparency and accountability.

Companies and governments looking to issue green bonds will need to build strong impact measurement frameworks and avoid accusations of green washing. Expect third -party verification and clearer "use of proceeds" to become standard.

Sustainability Disclosure Moves from Voluntary to Expected

While ESG reporting remains largely unregulated across most of Africa, we are seeing a shift. Stakeholders increasingly expect disclosure on how ESG risks are managed.

The Nairobi Securities Exchange has issued ESG Disclosure Guidelines and banks are guided by the Central Bank of Kenya's (CBK) Climate Risk Management Guidelines. Regional trends suggest more regulatory nudges to come.

Even in the absence of binding regulation, companies and financial institutions that voluntarily disclose sustainability data will stand out.
This includes climate risk, governance structures in relation to sustainability and social impact; factors that now influence investor trust and access to capital.

Blended Finance Gains Traction for Climate Projects

With Africa's climate financing gap still wide, we are seeing a greater use of blended finance which the strategic use of concessional capital is to attract private investment in sustainable projects.

The Climate Finance Accelerator (CFA) and the Green Climate Fund's involvement in large scale renewable projects are examples of public-private partnerships closing funding gaps.

SMEs and project developers should look out for concessional funding windows that de-risk their proposals aligned to climate risk mitigation or adaptation.

Banks and Development Finance Institutions (DFIs) are keen to co-finance well structured, sustainable business models.

Climate Risk Integration in Lending Decisions

As climate related risks become more tangible, banks are under pressure to integrate climate risk into credit assessments and loan pricing This is not just about regulation it's also about protecting long-term portfolio performance.

According to a 2022 survey by the Kenya Bankers Association (KBA), 94% of surveyed banks had established environmental risk management policies to guide their lending and credit assessment processes and 31% had implemented structures environmental risk management processes.

Borrowers in high-risk sectors like agriculture, real estate and manufacturing may face stringent screening unless they demonstrate resilience or mitigation measures.
On the flip side, businesses offering climate-smart solutions or mitigation measures may enjoy preferential terms or access to green credit lines.

Our Perspective

At Protos Capital LLP, we've seen first hand how sustainable finance is shifting from a niche consideration to a mainstream strategic priority, clients are no longer asking whether to embed ESG considerations, they're asking how to do it credibly, competitively and in line with evolving expectations.

In Kenya and across East Africa, we are supporting financial institutions as they integrate climate risk assessments into lending decisions, align portfolios with national sustainability guidelines and navigate ESG disclosure requirements.

The appetite for green bonds, sustainability linked loans and blended finance instruments is growing, but so is the scrutiny around their impact and authenticity.

One consistent challenge we help clients address is the gap between ambition and implementation.

From strengthening impact measurement systems to developing ESG aligned investment frameworks, our role has increasingly been about translating global best practices into practical, context specific solutions.

As 2025 unfolds, we believe the leaders in sustainable finance will be those who build institutional capacity, not just compliance systems.
The future belongs to those who treat ESG not as a checkbox, but as a compass for smarter investment and long-term value.

Looking Ahead

As sustainable finance becomes a defining force in Africa's investment landscape, staying informed and prepared is no longer optional but rather a strategic advantage.

Whether you are a bank, investor, policy maker or business leader, understanding these trends in key to unlocking future capital and resilience.

At Protos Capital LLP we help organisations align with evolving ESG expectations, build green finance strategies and structure investment ready, impact driven projects.

Follow us for regular insights on sustainable developments shaping Kenya and the region.

Policy and Practice:
Navigating ESG Compliance in Africa's Emerging Regulatory Landscape

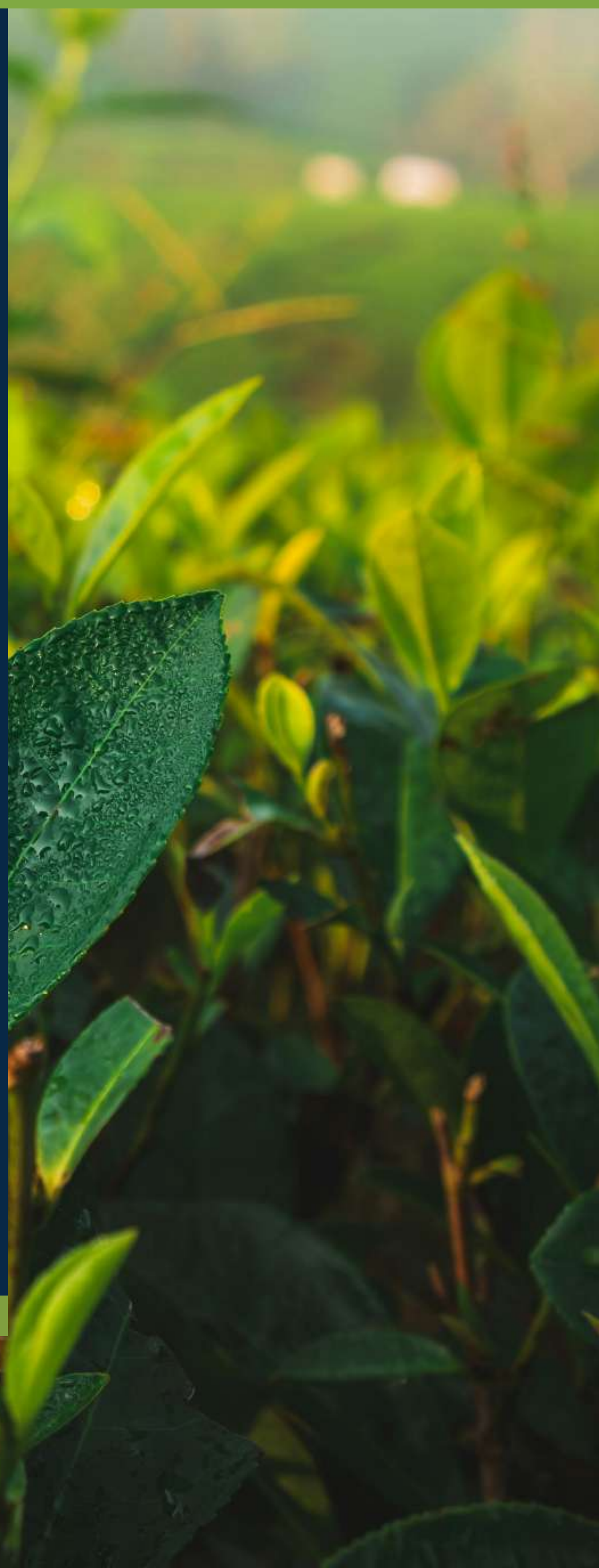
Africa is seeing growing momentum in the adoption of Environmental, Social and Governance (ESG) principles, driven by shifting investor expectations and emerging regulatory frameworks.

A 2023 survey by the Official Monetary and Financial Institutions Forum (OMFIF) revealed that 17 out of 26 African countries assessed had implemented financial regulations with an ecological focus, up from 12 in 2021.
This progress signals a continent steadily aligning with global ESG norms.

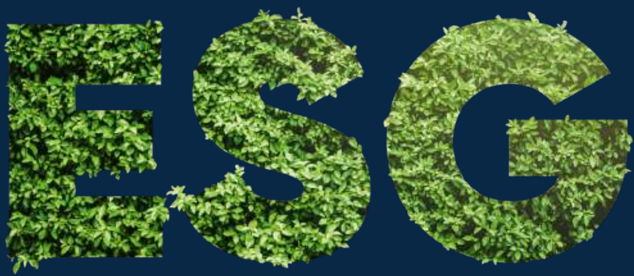
Stock exchanges in Kenya, Nigeria and South Africa are leading the way, having introduced voluntary and mandatory ESG disclosure guidelines for listed companies.
These initiatives are helping to formalise sustainability reporting and raise the bar for corporate transparency.

As global capital becomes more ESG conscious and climate risks escalate, African businesses must demonstrate a clear understanding of compliance expectation. Whether seeking investment, expanding internationally or meeting local regulatory requirements, companies that embed sustainability into their core operations will be better positioned for resilience and long-term value.

This article offers a snapshot of Africa's evolving ESG policy landscape and practica insights on how business can align with it, from disclosure readiness to proactive risk management.



What's Driving the ESG Agenda?



ESG compliance refers to how organisations identify, manage and disclose risks and opportunities related to environmental sustainability, social impact and governance practices. Originally driven by investor demand in global markets, it is now becoming a regulatory priority across Africa.

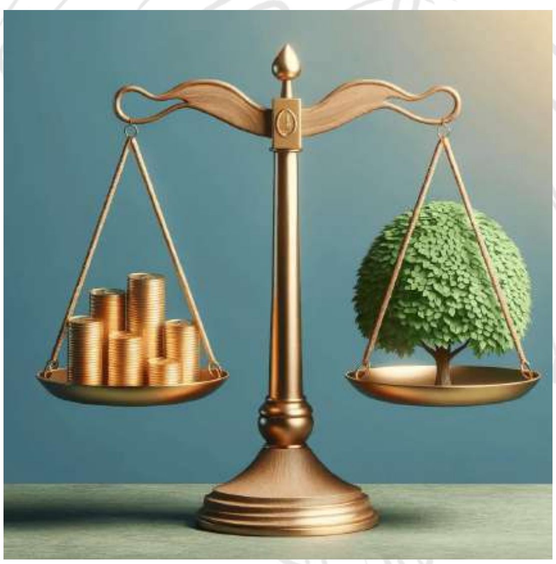
Governments, central banks and stock exchanges are beginning to introduce policies that promote ethical business conduct and corporate accountability.

Covering matters such as supply chain due diligence and waste and pollution control, ESG frameworks influence how companies operate and what stakeholders expect.

For African businesses, the shift presents both a challenge and an opportunity: a challenge to keep pace with new requirements and an opportunity to reinforce their social licence to operate, attract sustainable financing and contribute to inclusive, low-carbon growth.

Finance First:

ESG Regulation is Starting with Banks



ESG regulation is taking root through the financial sector across Africa.

Central banks and financial regulators are increasingly issuing guidelines that require banks and insurers to assess environmental and social risks in their lending and investment portfolios. These rules are effectively cascading ESG expectations to the businesses they finance.

The Mauritius Commercial Bank with partners developed SUNREF (Sustainable Use of Natural Resources and Energy Finance) as part of a broad initiative to promote energy efficiency and renewable energy, as well as the sustainable use of natural resources in priority sectors, namely: Construction, Hospitality, Manufacturing and Agriculture. Kenya's Green Finance Taxonomy similarly guides lenders to classify activities by their climate alignment, helping banks direct capital toward low-carbon projects.

Lending decisions increasingly hinge on clear, auditable, processes for managing environmental impact, social safeguards and sound governance.

Localisation of ESG

Regulators and businesses are increasingly recognizing the need for context-specific approaches.

There is growing awareness that frameworks must reflect African realities, such as reliance on informal labour, land tenure complexities and local cultural dynamics.

For instance, South Africa's mandatory Johannesburg Stock Exchange (JSE) ESG disclosure rules require mining firms to report on acid mine drainage (AMD) remediation and Borad-Based Black Economic Empowerment (BEE) compliance, issues critical to the country's environmental and social challenges.

Similarly, energy intensive companies must disclose just transition plans for coal-dependent workers, addressing South Africa's unique reliance on fossil fuels and high unemployment.

Organisations must ground their ESG strategies in local regulatory mandates, hyper-material risks and national development goals. A one-size fits all approach risks being ineffective.

Scrutiny Reaches the Supply Chain

Accountability extends beyond corporate headquarters to the value chain.
With growing concern over human rights abuses, deforestation, and illegal mining, both African governments and international trading partners are scrutinising supply chains more closely.

Take the cocoa industry in Ghana and Côte d'Ivoire, EU regulations are requiring producers to trace their supply chains for deforestation and child labour risks. In the DRC, pressure is mounting on mineral exporters to prove ethical sourcing of cobalt, often tied to informal and artisanal mining. This is part of a broader push by both governments and global buyers to improve environmental and social oversight in trade-heavy sectors.

Whether a company is a manufacturer, exporter or a supplier, ESG compliance now extends into procurement, subcontracting, and logistics. Businesses must know who they're working with, how goods are produced, and whether social and environmental risks are being actively managed.

Our Expert Insight

A recurring challenge is the assumption that sustainability equals global reporting templates.
But the most effective sustainability strategies are those that reflect national context, sector realities, and internal capacity.

That's why our approach is rooted in localisation, we align clients' sustainability journeys with local regulatory frameworks while ensuring readiness for international scrutiny.

Ultimately, we help organisations move from reactive compliance to proactive sustainability leadership in a way that is realistic, credible, and strategically aligned with their growth goals.

Youth & Innovation:
Empowering the Next Generation

At the heart of Protos Capital's commitment to sustainability lies a strong belief in empowering young people through education and critical engagement.
Over the past 2 years, Protos Capital has deepened its impact in the youth and education space by forging strategic partnerships and initiatives that build awareness and leadership around Environmental, Social, and Governance (ESG) issues.

One of the most notable collaborations has been with The Debate Circle, a youth-focused platform that promotes civic awareness and public speaking skills.
Through this partnership, Protos Capital has supported the development of sustainability-themed debate topics for high school learners across Kenya.

These topics — aligned with the Sustainable Development Goals (SDGs) — have encouraged students to engage critically with pressing environmental and social issues such as climate change, responsible consumption, and corporate accountability.

In addition to reaching students, Protos Capital has also invested in teacher training.
Through tailored workshops and resource development, over 1,000 teachers have been trained on ESG principles, the SDGs, and how to integrate sustainability into classroom discussions and co-curricular activities.

These teachers are now better equipped to mentor young minds, making sustainability not just a concept but a lived experience within the school community.

By fostering debate, enhancing teacher capacity, and creating platforms for youth-led dialogue, Protos Capital is helping to shape a generation that is informed, responsible, and ready to lead on sustainability.

This initiative is a testament to the power of partnership in building resilient, future-focused education ecosystems.

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