

PEOPLE PLANET PURPOSE



ANNUAL REPORT | 2022-2023

OUR VISION

To become a world-class corporate foundation committed to the wellbeing of individuals and communities.

OUR MISSION

To support GraceKennedy's practice and ethos of "We Care" by creating environmentally sustainable programmes, promoting healthy lifestyles and increasing access to quality education.

OUR **PRINCIPLES**

Equity/Voluntarism/Empowerment/Contributing
to national development.

OUR **VALUES**

Honesty, Sustainability, Service, Equity, Diversity and
Inclusion, Trust and Integrity.

TABLE OF CONTENTS

Messages From:

Gordon Shirley, Chairman, GraceKennedy	5
Don Wehby, Group CEO, GraceKennedy	7
Board of Directors, GraceKennedy Foundation	9

Board Leadership	12
-------------------------	----

Our Team	13
-----------------	----

PEOPLE

Education	14
------------------	----

GK Campus Connect Programme	20
Carlton Alexander Memorial Bursaries	21
“Firstborn” Book Launch	22
GraceKennedy Jamaican Birthright Programme	24
S. Carlton Alexander Chair in Management	26

Grants

Healthy Lifestyles	27
---------------------------	----

GK Campus Connect Food Bank	
-----------------------------	--

PLANET	29
---------------	----

Environment	31
--------------------	----

Earth365	33
James S. Moss-Solomon Sr. Chair in Environment	
The Kingston Harbour Cleanup Project	

Message from

The GraceKennedy Chairman

GORDON SHIRLEY



My congratulations to the GraceKennedy Foundation (GKF) on the outstanding performance achieved for the period. The Foundation has established a reputation of excellence and has been bold in seeking projects that will bring value to the nation.

It is in this vein that the Foundation has tackled one of the most ambitious environmental projects in the country, perhaps the region, that of reducing waste entering the Kingston Harbour from the Kingston metropolitan gully network. They first engaged local and international interest about the appalling condition of the harbour through its 2019 annual lecture entitled, "Clean Kingston

Harbour, Pipe Dream or Pot of Gold" which examined the causes for its deterioration, as well as economic and social benefits if restored to its former glory. They then went a step further to undertake the challenge of spearheading this herculean task.

The Foundation expanded its expertise beyond the boundaries of management of its extensive portfolio of philanthropic projects to broker strategic partnerships among local private and public sector entities, community groups and international NGOs in pursuing this goal.



Dr. Fred Kennedy and Prof. Gordon Shirley at the 2023 International Coastal Cleanup (ICC) Day activity at Gun Boat and Buccaneer Beaches.

GKF tackled two major projects:

The first of the two projects, a three-year pilot project, financed by the Caribbean Biodiversity Fund ended in February 2023. The Kingston Harbour Ecosystem Adaptation Measures (KHEAM) Project aimed to restore, rehabilitate, and protect the mangroves in the Kingston Harbour to boost Jamaica's climate change resilience. It was implemented in partnership with the Mona GeoInformatics Institute and the Centre of Marine Sciences, University of the West Indies. Extensive research on the harbour's ecosystem and rigorous rehabilitation of the mangroves has been supported by the education of adjacent communities about the impact of human actions on the oceans to encourage citizens to do their part in sustainable management of the harbour on which many depend for a living. Environmental wardens were trained and mobilized by GKF to help educate over 1,800 community members about mangrove protection, proper waste management practices and recycling.

In April 2022, the Foundation in partnership with The Ocean Cleanup, a Dutch non-profit environmental organization, and Clean Harbours Jamaica (CHJ), embarked on the Kingston Harbour Cleanup Project.

Since February 2022, this initiative, utilizing a combination of Interceptor™ technology in 7 of Kingston's gullies, successfully prevented over 1 million kgs of waste from entering the harbour. The project organised beach cleanups, engaging 1,800 volunteers to remove 33,000 kg of waste. Additionally, 900 students were educated on their roles in environmental protection, and outreach efforts reached 200 companies and organisations. In September 2023, the GKF was the proud recipient of the prestigious 2022 RJRGleaner Honour Awards in the category of Science and

Technology for its successful facilitation of technology in the ground-breaking project. Congratulations!

Promoting environmental awareness to GraceKennedy team members has always been a priority for the Foundation. The Foundation created the Earth365 logo to accompany environmental initiatives and messaging across the Group. The logo embodies GraceKennedy's commitment to creating sustainable living every day. I must applaud the Foundation on this initiative, which reinforces the Group's commitment to environmental sustainability and its overall ESG mandate.

While my focus has been the stellar achievements in the Foundation's environmental management portfolio, I must also commend the work being done in education. The Foundation has awarded scholarships and bursaries at a value of some \$27 million for the 2023/24 academic year, I commend the addition of the Luis Fred Kennedy Scholarship in memory of the late and former Governing Director and Chairman of Grace, Kennedy & Co. Ltd., to the slate of annual awards.

Finally, welcome to Professor Lila Rao-Graham who was appointed the third holder of the Carlton Alexander Chair in Management Studies at the University of the West Indies (UWI). She is eminently qualified for the position, and we look forward to her contributions as she applies her considerable expertise in digitization to modernizing the GraceKennedy and Jamaica's business sector.

The Board and staff of GKF are to be commended for solving critical issues facing our island, Jamaica, are to be applauded for their commitment to the roles they play in moving our nation forward.

Professor Gordon Shirley, OJ



Representatives from Petrojam and The Kingston Harbour Cleanup Project at a manual beach cleanup at Petrojam Limited in April 2023.

Message from
GraceKennedy
Group CEO

DON WEHBY



Throughout its over 40 years of operation, the GraceKennedy Foundation (GKF) has consistently made a positive impact on Jamaica, building a legacy of service by investing heavily in increasing access to education, promoting healthy lifestyles and protecting the natural environment.

GKF's important work is deeply rooted in GraceKennedy's 2030 vision of becoming the number one Caribbean brand in the world, while also improving the quality of life of the communities we serve. The Foundation also supports our Environmental, Social, and Governance agenda, by helping to underscore our responsibility as stewards of the environment and in enabling inclusive and vibrant communities.

Through scholarships, and numerous other initiatives, GKF champions education in Jamaica, fostering a society where knowledge and growth flourish. I have often expressed that education should be a right and not a privilege, a belief which resonates with the mission of GKF. In a world where access to education is often characterised by inequity, GKF stands committed to ensuring that young Jamaicans have the opportunity to learn, grow, and thrive.

Recognizing the challenges faced by many Jamaican tertiary students in securing adequate nutrition, in 2019 GKF established our GK Campus Connect Food Bank. This remarkable initiative provides monthly food



Outgoing Acting President of UTech, Professor Colin Gyles (right) along with Don Wehby and Frank James, CEO of Grace Foods-Domestic, during a tour of the Food Bank.

support to over 200 students across three institutions, reaching over 8,500 students through direct donations and campus-wide initiatives throughout its existence. As patron of the Food Bank, I am deeply committed to ensuring the Food Bank's continued success. I extend my heartfelt gratitude to all our partners for their invaluable contributions, which help us to provide nutritional support to students in need.

In 2023, GKF welcomed 90 outstanding students to our esteemed network of GK Scholars, a remarkable group of scholarship recipients, past and present, who are shaping a brighter future for our world. In partnership with the Kennedy family, GKF also proudly announced the new Luis Fred Kennedy Scholarship, for students studying logistics and supply chain management at the Caribbean Maritime University. The scholarship honours the legacy of GraceKennedy's former Governing Director and Chairman who played a pivotal role in the growth and development of our Company and our country in the mid-20th century.

GraceKennedy's dedication to sustainability is also demonstrated through GKF's efforts to improve the state of Jamaica's natural environment. This year, the ground-breaking Kingston Harbour Cleanup Project, which is being delivered by GKF in partnership with

Clean Harbours Jamaica and The Ocean Cleanup, made significant strides towards preventing solid waste from entering the Kingston Harbour and in raising awareness about solid waste pollution in Jamaica. The project's remarkable success has been nationally recognized, earning GKF the prestigious 2022 RJRGleaner Honour Award in Science and Technology this year.

I am so proud of the Foundation's stellar contributions, which have empowered countless individuals and helped to safeguard our environment in Jamaica.

My heartfelt gratitude extends to Chairman, Dr Fred Kennedy and his fellow Directors, CEO Caroline Mahfood and her team for their hard work and dedication to GKF's mission. Their commitment to making a difference is a source of inspiration to us all.

Don Wehby, CD



Caroline Mahfood and Don Wehby during a site visit to the Kingston Harbour Cleanup Project's offloading site.

Message from the

BOARD OF DIRECTORS

GraceKennedy Foundation

The GraceKennedy Foundation has once again demonstrated its unwavering commitment to GraceKennedy Limited and the nation. The team worked diligently to ensure the professional execution of projects in our ever-expanding portfolio, aligning with our mission to contribute to sustainable national development in education, healthy lifestyles, and environmental stewardship in realization of our vision to become a 'world-class corporate foundation.'

In 2023, we embarked on a transformative strategic plan, building upon the foundations laid out in our 2020 strategy. Aligned with GraceKennedy's 2030 Vision, which prioritizes Environmental, Social, and Governance (ESG) commitments, the Foundation is poised to play a crucial role in creating shared value both for our beneficiaries and our parent company. We are enhancing our ability to measure long-term outcomes and impacts through a robust monitoring, evaluation, and learning framework, while strengthening communication around our activities.

The Foundation's education programme has grown exponentially over the years. The Carlton Alexander Memorial Bursaries were introduced in 1990 for the children of GraceKennedy staff for assistance with secondary and tertiary education. Twenty-one outstanding children received this treasured award for

the 2023/24 academic year at a value of \$2.1 million.

Ninety tertiary scholarships awards were made for the year with an investment of over \$27 million. This year, the Foundation, jointly with the Kennedy family and the parent company, introduced the Luis Fred Kennedy Scholarship, named in honour former Governing Director and Chairman of Grace, Kennedy & Co. Ltd (1947 – 1976), tenable at the Caribbean Maritime University. The first awardee, Aryan Patrawala, a first-year logistics and supply chain management student, received a 4-year scholarship valued at \$500,000/year.

Congratulations to these exceptional Jamaican youth who are now a part of the GraceKennedy family. Jamaica needs their positive energy and ambition to assist in the building of a strong vibrant nation and to achieve the goals of the Vision 2030 to make "Jamaica the place of choice to live, work, raise families, and do business."

In July 2023, we welcomed four second generation university students of Jamaican heritage to participate in our annual Jamaican Birthright Programme. This programme continues to forge and nurture links with the youth of the diaspora, allowing them to connect with their Jamaican heritage.



Caroline Mahfood and Dr. Fred Kennedy present the 2023 Luis Fred Kennedy Scholar, Aryan Patrawala, with his award.

Our GK Campus Connect Food Bank has doubled its monthly aid to students, addressing the challenging circumstances faced by university students. We extend sincere thanks to our donors and partners for their invaluable support in the fight against campus hunger, ensuring students receive multifaceted assistance for academic success. We are pleased with the appointment of Group CEO Senator Don Wehby as the patron of the Food Bank. Mr. Wehby's commitment to social responsibility aligns seamlessly with our mission. His continued guidance and support will undoubtedly elevate our efforts for further impact.

The GKF's environmental programmes saw the continuation of the outstanding work begun previously in the Kingston Harbour when it succeeded in acquiring funding to implement two major projects focusing on the rehabilitation of the harbour.

The Caribbean Biodiversity Fund financed the pilot project – Kingston Harbour Ecosystem Adaptation Measures (KHEAM) Project – which saw the collaboration among the Foundation, the Centre of Marine Studies, and the Foundation. Started in 2019, it was completed in February of 2023. Through the Foundation's role, over

1,800 community members were trained in mangrove awareness, 180 community members trained in audio-visual skills, 10 environmental wardens from the targeted communities were trained and mobilized and the communities have implemented or strengthened ongoing recycling initiatives. Congratulations to the team on a successful pilot implementation!

A Dutch non-profit environmental organisation, The Ocean Cleanup, provides funding and technical assistance for our latest project, The Kingston Harbour Cleanup Project. The Foundation provides administrative and project management facilitation and coordinates outreach activities, while Clean Harbours Jamaica, the operators of the interceptor technology, are responsible for the maintenance of the barriers and the management of the offloading site.

We want to thank the Government of Jamaica through several of its agencies and departments for their unwavering support and partnerships established in this feat. We also congratulate the team for receiving the 2022 RJRGleaner Honour Awards in the Science & Technology category, for its successful facilitation of the Kingston Harbour Cleanup Project.



L-R: Prof. Gordon Shirley, Dr. Fred Kennedy, Senator the Hon. Matthew Samuda, Minister without Portfolio, Ministry of Economic Growth and Job Creation, Captain Dieno Campbell, Director of Operations, Clean Harbours Jamaica Ltd., Grace Burnett, CEO, GraceKennedy Financial Group, Caroline Mahfood, and Michael McCarthy, Managing Director, Clean Harbours Jamaica Ltd. at the 2023 ICC Day activity.

In addition, the ongoing beach cleanup endeavours consistently yield substantial environmental benefits by averting the disposal of thousands of kilograms (kgs) of waste in the nation's landfills and coastal waters. Facilitated by the Foundation's harbour project, and annual beach cleanup activity with GK staff, GKF orchestrated nine cleanups, culminating in the meticulous removal of over 31,000 kgs of waste during the reporting period. Sincere congratulations are extended to the dedicated staff, corporate partners, community stakeholders, and volunteers for their commendable contributions to this cause.

The James S. Moss-Solomon Sr. (JMS) Chair in Environmental Management maintains its leadership role in executing groundbreaking research and important initiatives in the restoration of nation's damaged ecosystem. Major projects include mangrove rehabilitation and monitoring and a study on the effect of Sargassum soil amelioration on seed germination and seedling growth of corn and scotch bonnet pepper. Professor Webber distinguishes the JMS Chair through her tireless work and advocacy for the protection of the national and regional ecosystem.

We are pleased to welcome Professor Lila Rao-Graham, the new Carlton Alexander Chair in Management at the University of the West Indies. Professor Rao-Graham brings immense value to the position. Her specialisation in data, digitisation, and business intelligence creates promising synergies between the mission of the S. Carlton Alexander Chair--to build a corps of highly trained business professionals--and Jamaica's economic development. Her appointment was timely as her expertise will be crucial to GraceKennedy's digital transformation focus

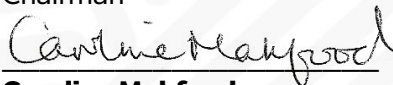
We thank the Chairman, Professor Gordon Shirley, and the board of our parent company, GraceKennedy Limited, for their unstinting support of the Foundation's activities. We thank Group CEO, Senator Don Wehby, and General Counsel and Chief Corporate Secretary, Gail Moss-Solomon, for their personal interest in GKF projects and for their eagerness to give of their time and guidance.

Congratulations on another outstanding year!



Dr. Fred Kennedy

Chairman



Caroline Mahfood

Chief Executive Officer



Gail Moss-Solomon, General Counsel and Chief Corporate Secretary (right), GraceKennedy Ltd and her daughter Sierra at the 2023 ICC Day activity.

GraceKennedy FOUNDATION

Directors as at July 2023



Fred Kennedy
Chairman



**Allison
Rangolan**



**Hilary
Wehby**



**Cathrine
Kennedy**



**Radcliffe
Daley**



**Terry-Ann
Graver**



**Philip
Alexander**



**Carol
Hordatt Gentles**



**Julie
Meeks-Gardner**



**Deidre
Cousins**



**Chaluk
Richards**

Our Team



Caroline Mahfood
Chief Executive Officer,
Company Secretary



Marjorie Godfrey
Administrative Assistant



Crystal-Gayle Williams
Project Officer



Sujae Boswell
Programme Manager



Bronia Sinclair
Accountant



Elizabeth Goodleigh
Environmental Education Officer



Jizelle Walcott
Food Bank Coordinator



Orville Levene
Bearer



Nysha Johnson
GK Campus Connect
Coordinator



Zantaye Thomas
Ace with Grace Coordinator



Jade-Ashley Carberry
Public Relations and Community Outreach
Officer

PEOPLE

EDUCATION

GK Campus Connect *Empowering Students to Reach their Full Potential*

The **GK Campus Connect Programme** was implemented in 2019 to deepen the connection between the GKF scholars and GraceKennedy. The programme connects our scholars with internships and employment opportunities across the GraceKennedy Group where possible. The programme also promotes and encourages scholars to be responsible, compassionate and engaged individuals who give back to society.

The Foundation's Digital Institute Scholarship provides internships at the Digital Factory, for tertiary students studying data science, mobile software development, digital marketing, user interface [UI] design, customer research and graphic design. This gives students hands-on training and exposure. This year, six students were selected to intern at the GK Digital Factory, along with three students from cohort 1. Two students from the first cohort are now on a fulltime contract and one is permanently employed to the company.

IMPACT



6

Students selected
for 2023 Digital
Institute Scholarship

25

Scholars currently
employed across the
GraceKennedy Group

Testimonial from **Kyle Campbell**

Digital Institute Scholar 2023



The internship experience at the Digital Factory in the capacity of a full-stack developer was one of the best experiences of my life. I learned how to perform in an agile environment with some of the industry's best developers, which for me is invaluable. It has furthered my passion for development and taught me many hard and soft skills. Thank you, GraceKennedy!

Kyle Campbell

PEOPLE

EDUCATION

Making The A Grade Health And Wellness Seminar

The Foundation hosted its inaugural Making the A Grade Health and Wellness Seminar, at the University of the West Indies (UWI) Mona Campus on January 26, 2023, which was designed to help university students prioritize their health and wellbeing whilst still achieving academic success. Participants in the seminar were treated to informative and interactive presentations from health and wellness experts on the importance of maintaining a proper diet and exercise and strengthening mental and emotional well-being whilst studying. Presenters included associate counselling psychologist, Dr Craig McNally, who highlighted stress management and mindfulness; UTech lecturer, Dr Kai Barratt, who touched on effective study techniques; Angella Wander and Johmar Bennett, both current GraceKennedy team members and past GKF scholars, spoke about the importance of a balanced and nutritious diet, and how to prepare for the working world whilst in university, respectively. Chef Samantha George, also a past GKF scholar, concluded the agenda with video demonstrations of how to prepare healthy meals on a budget. **Over 200 university students attended the event.**

IMPACT



Over

200

university students
attended the event

1. Dr Craig McNally, Associate Counselling Psychologist at UTECH during his presentation on mental health. **2.** Crystal-Gayle Williams, Project Officer, GraceKennedy Foundation gifts a prize to a student in attendance. **3.** Angella Wander, 1990 GK Scholar and Consumer Services Manager at Grace Foods and Services, during her presentation on food and nutrition.

PEOPLE
EDUCATION

Laptop donations

15 laptops were donated to GK scholars in 2023. This initiative not only addresses the digital divide that can hinder students' learning experiences but also underscores our dedication to empowering the next generation of nation builders. This investment valued at \$2 million, embodies the Foundation's dedication to supporting its scholars in multifaceted ways to ensure they are fully equipped for academic success.



1. GK Merit Scholar Rhameish Smith receiving his laptop from Caroline Mahfood.
2. Some of the recipients of the laptop donations.

PEOPLE

EDUCATION

Ace With Grace

Being a GK scholar is not just about excelling in the classroom, it's about being a well-rounded individual who contributes positively to society. GK scholars complete community service hours as a requirement for scholarship renewal.

IMPACT

Over 3,130
hours were
completed



by the scholars, who tutored primary, high school and university students, through the Ace With Grace tutoring programme. They also volunteered at the Food Bank the Foundation's annual lecture and at beach cleanup activities.



GKF scholars volunteering at the Food Bank.

PEOPLE

EDUCATION

GKF Scholarships

Positively Improving the Trajectory of Jamaican Students

For the 2023/24 academic year, the Foundation invested over J\$27 million in scholarships to 90 university students attending the University of the West Indies (UWI), University of Technology, Jamaica (UTech), Edna Manley College of the Visual and Performing Arts (EMC), Caribbean Maritime University (CMU) and Northern Caribbean University (NCU). The brilliant students were chosen from a pool of over 1,000 scholarship applicants. This year, the Foundation also awarded the inaugural Luis Fred Kennedy Scholarship, to a student studying logistics and supply chain management at the Caribbean Maritime University. The scholarship, established by Dr. Fred Kennedy, Chairman of the Foundation in partnership with GraceKennedy, was named after his father, former Governing Director and Chairman of Grace, Kennedy & Co. Ltd.



1. (Left) Prof. Julie Meeks-Gardner, GKF Director and Don Wehby presents Petajhay Shelly, GK Merit Scholar with her certificate at the 2023 Scholars Awards Ceremony. 2. Dr. Fred Kennedy presents UTECH Merit scholar Aaliyah Douglas with an award for outstanding academic performance. 3. Dr Fred Kennedy pictured with GK Jamaica Scholars

PEOPLE

EDUCATION

IMPACT



\$27 Million

awarded to 90 Students at UWI, UTECH, EMC, CMU and NCU

Testimonial from Chelsea Buchanan

GraceKennedy/Rafael Diaz Scholar 2023



To be one of the GraceKennedy Rafael Diaz Scholars is a life-changing experience. At times, my ambitions feel impossible; however, this scholarship has put them within reach. Not only am I benefiting from financial support, but I have also been provided with a community that prioritizes service. The GraceKennedy Foundation is supporting me in acquiring my dreams and allowing me to support others through volunteerism. Undoubtedly, this scholarship is not simply a gift; it is an honour.

Chelsea Buchanan

Testimonial from Tyreek Gregory

GraceKennedy/Carlton Alexander Scholar 2023



Receiving this scholarship means a lot to me. It helped me to catapult all my focus directly towards my studies as I don't have to worry about how my studies will be financed. Along with that, this scholarship also helped to make the next few years of university feel more attainable as I am financially covered during my time on this programme. If it were not for this scholarship, I would be in a constant state of uncertainty, which would hinder me from being able to focus properly in classes. Hence, I am eternally thankful.

Tyreek Gregory

PEOPLE

EDUCATION

Carlton Alexander Memorial Bursaries

The **Carlton Alexander Bursaries** are awarded each year to children of GK staff attending secondary and tertiary institutions. These highly competitive bursaries are named in honour of the late GraceKennedy Chairman and CEO, Dr the Hon. S. Carlton Alexander. Applicants are assessed on several criteria including their academic performance, participation in extra-curricular activities and leadership potential.

IMPACT



\$2.1 Million invested

21 Children
of GK staff awarded bursaries



1. L-R: Jaden Shaw receives a special award for recognition of outstanding achievements in chess from Andrew Messado, Group CFO, GraceKennedy Ltd. 2. Frank James and his daughter Arianna, receiving her certificate from Naomi Holness, Group Chief HR Officer, GraceKennedy Ltd. 3. 2023 Carlton Alexander Bursary awardees

PEOPLE

EDUCATION

“Firstborn” Book Launch

GraceKennedy Foundation hosts “Firstborn” book launch

On March 9, 2023, the GraceKennedy Foundation hosted the Kingston launch of “Firstborn: The Life of Luis Fred Kennedy,” written by his son and chairman of the Foundation, Dr. Fred W. Kennedy.

Firstborn chronicles the life of Luis Fred Kennedy, former Chairman and Governing Director of GraceKennedy (GK) and son of one of GK’s founders. At the launch, he was heralded as an outstanding Jamaican businessman who helped lay the foundation for what is now one of the one of the largest and most dynamic corporate entities in Jamaica and the Caribbean, the GraceKennedy Group.

Firstborn traces the beginnings of GK, over a century ago, introducing the initial founders of the company, Fred W. Kennedy and Dr. John Grace; but is focused on the legacy of Luis Fred. Firstborn is published by Friesen Press of Canada (2022) and is available in both hardcover and softcover on Amazon, and at the Kingston Book Shop and Sangster’s Book Stores. All proceeds of the sales of Firstborn are being donated to GKF for the Luis Fred Kennedy/ Caribbean Maritime University Scholarship. the Kennedy family in partnership with GraceKennedy, has established an endowment fund for the scholarship.



1

1. Rafael Díaz, retired Chairman and Chief Executive Officer of GraceKennedy Ltd pictured at the Firstborn book launch.

PEOPLE

EDUCATION

Gracekennedy Jamaican Birthright Programme

Birthright Interns Reconnect With Their Roots

GraceKennedy hosted four university students of Jamaican heritage from the United States of America (USA), United Kingdom (UK) and Canada in Jamaica, from June 28-August 7, 2023. This year's Birthright participants were Logan Wright, University of Central Florida, and Bianca Byfield, Harvard University, both from the USA; Samaya Miller, University of British Columbia, Canada; and Ras.I Martin, Oxford University, UK. They were selected from 178 applicants.

The five-week professional and cultural internship programme offered these second-generation Jamaican university students the unique opportunity to gain invaluable hands-on experience interning at GraceKennedy, while deepening their Jamaican connections through immersion in cultural, heritage and social activities known as Heritage Pathway Tours. During their visit to Jamaica, the 2023 Birthright participants toured various historical and cultural sites across the island, attended Reggae Sumfest and Jamaica's 61st independence celebrations, to gain a deeper appreciation and understanding of their birthright.



1. 2023 GK Birthright interns Bianca Byfield, USA, Ras.I Martin, UK, Logan Wright, USA and Samaya Miller, Canada, at their welcome launch event. 2. The interns during a tour of Kingston Creative's Art Walk at Water Lane with Crystal-Gayle Williams. 3. The interns during a cooking session with Grace Foods. 4. The interns during a visit to the Jamaican Senate with Don Wehby and Senator The Honourable Kamina Johnson Smith, Minister of Foreign Affairs & Foreign Trade (3rd right) and Sujae Boswell, Programme Manager, GK Foundation (1st left)

PEOPLE

EDUCATION

Interns' Feedback

Samaya Miller

The GraceKennedy Birthright Programme gave a new meaning to me on how I see my Jamaican identity and heritage. It broadened my understanding of what it means to be Jamaican and exposed me to a myriad of people, and in getting the chance to learn about their experiences, I feel like it has taught me how to be a leader and an agent of change.

Logan Wright

My experience with the GraceKennedy Birthright Programme allowed me to break out of my shell. I was able to connect more to my roots and shape who I am as a person. I will never forget the memories and friends made during the programme. It has changed my life.

Bianca Byfield

I am very grateful to have been selected as part of this programme, it surpassed my expectations. I am especially thankful for all the kindness that was shown to us from everyone working at GK and the guidance that was provided while working at Dairy Industries Jamaica. Additionally, the heritage pathway trips will be something I remember for a long time.

Ras.I Martin

The GraceKennedy Birthright Programme has provided me with the opportunity to be able to visit the country which I'm from for the very first time, to see its sights, eat its food, and connect with its people. The experience was a once in a lifetime experience which could be compared to nothing else. I will forever be grateful to Grace and as I enter the world of politics, I look forward to giving back to the nation as a whole, to Jamaica, land we love.



GraceKennedy (GK) would like to thank our partners for their support of the 2023 GK Jamaican Birthright Programme. Your partnership truly helped to enhance the cohorts' overall experience and we could not have done it without you. We look forward to having you join us once again in 2024.

SPONSORS



PEOPLE

EDUCATION

Professor Lila Rao-Graham appointed the new holder of the S. Carlton Alexander Chair in Management



The Board of the Foundation is pleased to announce the appointment of Professor Lila Rao-Graham as the holder of the S. Carlton Alexander Chair in Management.

Professor Rao-Graham brings extensive knowledge and experience to her new post, in the areas of Strategic Business Intelligence, Data for Development, and Data and Knowledge Management. Her sterling qualifications include a Bachelor of Science in Computer Science (first class) from the University of the West Indies, Mona; a Master of Mathematics in Computer Science from the University of Waterloo, Canada; and a Ph.D. in Information Systems from UWI. Professor Rao-Graham is the third holder of the Chair, succeeding Professors Gordon Shirley (1992-2010) and Ian Boxill (2010-2018).

Prof Rao-Graham's Publications

**A Knowledge Broker for Collaboration
and Sharing for SIDS: The Case of
Comprehensive Disaster Management
in the Caribbean**

**Big Data Analytics and Customs
Throughput: The Case of Jamaica**



**An Agile Approach for Academic
Analytics: A Case Study**

**Building Smart Communities for
Sustainable Development: Community
Tourism in Treasure Beach Jamaica**

**Business Intelligence for Small and
Medium-Sized Enterprises (published
book in 2019)**

PEOPLE

EDUCATION

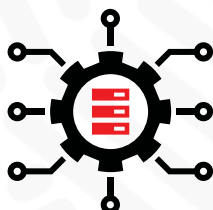
IMPACT

**1** research publication

published in Communications of the Association for Information Systems

**Appointed as Research Coordinator**

for the Caribbean for the Global Index on Responsible AI

**Presented research**

on Increasing the Value in Use of Open Government Data in Small Island Developing Economies at an international conference in Canada

**Selected as one of the five semi-finalists**

for a special session at the Data Festival, organised by the Global Partnership for Sustainable Development Data

GRANTS

Grants Awarded for 2022-23

Name of Grantee	Purpose	Grant Total Given
Institute of Jamaica	Support for an exhibition on the “History of Jamaica’s Set Girls”, a significant but insufficiently understood aspect of the island’s African history.	\$337,000.00
Creative Language Based Learning	Training of seventy-five (75) Early childhood education teachers and continued support for the Professional Development of two hundred and seventy-four (274) special education teachers across the island.	\$500,000.00
UWI Faculty of Science & Technology	Sponsorship of primary and high school students to attend the UWI Science Festival	\$300,000.00
Bethel Baptist Church	Support of 5 students for the Bethel Youth Summer Employment Programme	\$300,000.00
The Wattle & Red Earth (WARE) Collective	Heritage focused mural-mosaic in Southfield, St Elizabeth.	\$260,000.00
Sunflower Environmental Foundation	Greenhouse for a farmer’s cooperative in St. Mary.	\$500,000.00
Total		\$2,397,000.00



The Wattle & Red Earth (WARE) Collective team at the mural mosaic in Southfield, St. Elizabeth

PEOPLE

HEALTHY LIFESTYLES

GK Campus Connect Food Bank

GraceKennedy Group CEO Don Wehby named Patron

GraceKennedy Group CEO, Don Wehby, has taken on the role of the Food Bank's inaugural patron, demonstrating a personal commitment to the cause. In this capacity, Mr. Wehby will actively encourage individuals and organisations to rally behind the initiative, offering support to the students it serves.

Established in 2019, the GK Campus Connect Food Bank provides essential food packages to tertiary students in need at UWI, UTech, and the Edna Manley College. To date, the Food Bank has distributed over 4500 packages, primarily consisting of non-perishable items.

Serving as a crucial lifeline, the Food Bank addresses the daily hunger faced by students, going beyond nourishment to tackle the fundamental issue of human dignity.

UTech's significant support, including providing space for the food bank, underscores their ongoing commitment to this essential initiative. We express our gratitude for their continued support.

[CLICK HERE TO HEAR FROM OUR BENEFICIARIES](#)



1. Caroline Mahood and Don Wehby speak with Norval and Claudine Mendez, who approached GKF with the Food Bank initiative while they were students at UWI. 2. Donors and partners at the Patron Announcement in April 2023 3. Don Wehby and Frank James on a visit at the Food Bank.

PEOPLE

HEALTHY LIFESTYLES

IMPACT

250

students

receive monthly assistance

 Up from 150

Over

\$12

million in cash

and in-kind donations has been raised from private donors and GK companies for the period.

Over

4,500

food packages

distributed since 2019

Donors (GK Subsidiaries)

Grace Foods Domestic	World Brands Services
Consumer Brands Limited	Dairy Industries
Grace Foods LACA	GK Insurance
Hi-Lo Food Stores	First Global Bank
GK Money Services	GK Value Rewards

Donors (External Companies)

Restaurant Associates of Jamaica	Proven Investments
NCB Foundation	Barita Foundation
Joan Duncan Foundation	VM Foundation
Digicel Foundation	JP Farms
New GP Inc	Roots Strong
American Friends of Jamaica	Food for the Poor Canada

You can make a difference.
Click [HERE](#) to Donate



1. Proven Investments packing grocery packages at the Food Bank. 2. Andrea Muir Gibbs, Assistant General Manager and Chaluk Richards, General Manager, GK Insurance, present Jizelle Walcott, Food Bank Coordinator and Programme Manager, Sujae Boswell, GKF, with a donation for the Food Bank.

GraceKennedy General Insurance
No. 2023
GK Campus Connect
DATE: 05/01/2023
PAY TO THE ORDER OF: Food Bank \$ 62,800.00
Six Hundred & Twenty Eight Thousand Six Hundred DOLLARS
FOR: Contributions to New Digital Policies
000000526 0000000005 12982

PLANET

ENVIRONMENT

Earth365

Committed to Environmental Stewardship 365 Days a Year



This year, the Foundation began its rollout of Earth365 to GK staff. The Earth365 logo is a symbol of GraceKennedy's commitment to be environmentally conscious in every aspect of its businesses, 365 days of the year.

In April 2023, the Foundation kicked off its inaugural Earth Week, themed 'Invest in Our Planet.' The week featured exciting events from 'Make it Green Monday' to 'Fashion Friday,' offering both staff and customers opportunities to discover ways to contribute to our planet. Earth Week culminated with a beach cleanup at Sirgany Beach on Earth Day, April 22. In collaboration with Jamaica Environment Trust, **over 145 volunteers, including 30 GK staff, successfully removed 1,863 kg of waste from the shoreline.**

Both the 'plastic bottle separation at source' project as well as GKF's Annual Beach Cleanups have been a great success. On September 16, the Foundation marked International Coastal Cleanup Day 2023 with its annual beach cleanup at the Gun Boat and Buccaneer Beaches on the Palisadoes Strip in Kingston. The Foundation rallied a record number of 480 volunteers, who removed over 6,000 kg of solid waste from the beach. 135 GK team members and their families volunteered at the cleanup, with another 345 volunteers comprised of public and private sector organisations, nongovernmental organisations (NGOs), churches, and schools.



Volunteers at the 2023 ICC Day activity.

PLANET
ENVIRONMENT

IMPACT



1st GK Earth Week implemented

to promote environmental sustainability



Over **480** **volunteers** participated at ICC Day activity



Over **6,000kg** **of waste** collected during ICC Day activity



1-3. Volunteers at the 2023 ICC Day activity.
4. The Coordinating team for the event

PLANET ENVIRONMENT

James S. Moss-Solomon Sr. Chair in Environment *Advancing Environmental Sustainability*

Professor Mona Webber, holder of the JMS Chair, has executed, overseen and supported new and existing projects and partnerships both locally and beyond Jamaican waters.

Activities undertaken by the Chair during the period have brought tremendous advancements in several areas related to environmental sustainability and stewardship. In her report, she acknowledges the gradual emergence from the COVID-19 pandemic and highlights the steady improvement and development of activities done.

In addition to facilitating many noteworthy research projects during the period, The Chair has supported the academic development and enrichment of several students. In addition, significant strides in the rehabilitation and preservation of Kingston Harbour's coastal and marine environment continue to be made. Mangrove monitoring initiatives originating from the Kingston Harbour Ecosystems-based Adaptation Measures project (KHEAM) mangrove rehabilitation project

have been continuing steadily and great success in seedling growth and survival has been recorded in the past year.

Her work underscores the positive impact of JMS Chair funds in advancing marine science research and environmental sustainability, fostering collaborations, and providing opportunities for graduate students and interns.

Professor Mona Webber's work is highly valued by the Foundation, and we applaud her remarkable contributions to environmental preservation.

[CLICK HERE TO READ THE JMS CHAIR REPORT](#)



1. KHEAM community members monitoring health of mangroves along Gun Boat Beach restoration site. **2.** Prof Webber at the United Nations in Vienna. **3.** Mangrove seedlings in the nursery at the Discovery Bay Marine Lab. **4.** Graduate students and interns doing reef surveys

PLANET

ENVIRONMENT

IMPACT



Publications

4 articles published

3 journal articles and 1 technical report produced from sargassum projects.



Promotion of Environmental Stewardship

>250 persons reached

through participation in conferences, workshops, presentations, and meetings related to marine science and environmental sustainability.



Research in Action

Progress in several projects

including coral assessments, moored fish aggregating devices, lionfish control and sargassum research.



Successful Mangrove Restoration

Improved seedling growth

and survival of mangroves planted around the Kingston Harbour, under the KHEAM Project.



Academic Support & Development

28 graduate students interns, CMS staff

directly benefitted from training and research support.

Kingston Harbour Cleanup Project Hits 1 Million kg Milestone

Central to the Foundation's efforts that focus on environmental stewardship, is the Kingston Harbour Cleanup Project (KHCP), a ground-breaking initiative in collaboration with The Ocean Cleanup, Clean Harbours Jamaica, government agencies, other private sector companies, and local communities. The KHCP's mission revolves around reducing the amount of solid waste which enters the Kingston Harbour, making it the first project to make a significant impact regarding the Harbour since the establishment of the Soapberry Wastewater Treatment Plant.

Since commencing operations in February 2022, the KHCP has been instrumental in removing more than one million kilograms of waste from entering the harbour. The

installation of waste-trapping technology at Shoemaker and Mountainview gullies in November 2023, has taken the KHCP even closer to its goal of deploying technology at the 11 most polluting gullies that feed into the Kingston Harbour. Once installations at all 11 gullies are complete, the technology is expected to extract an estimated 900 metric tons of waste per year.

In September 2023, The Foundation was awarded the prestigious 2022 RJRGleaner Honour Award in the category of Science and Technology for its successful facilitation of the project. We look forward to the advancement of the project and remain committed to the rehabilitation of Kingston Harbour.

Visit <https://cleankingstonharbour.org/> to learn more about the project's objectives.



1-3. Students during an educational experience tour of the project on Global Recycling Day in March 2023. 4. The Kingston Harbour Cleanup Project's Interceptor Tender 5. Caroline Mahfood accepts the 2022 RJRGleaner Honour Award for Science & Technology from Andrea Messam, Chief Financial Officer, RJR Gleaner Communications Group.

PLANET
ENVIRONMENT

IMPACT



2022

RJRGleaner Honour Awards
Winner in Science & Technology

Over

1,800 volunteers
have removed
more than
33,000 kg

of waste via beach cleanup efforts



1,000,000 kg

of waste removed

from the Harbour through waste-trapping technology + beach and legacy cleanups.



Over

200

companies and
organisations
reached

via outreach efforts

Waste-trapping
technology installed at

7

gullies
entering the harbour

Over

1,500

students reached

through educational tours and presentations

FINANCIALS

GraceKennedy Foundation Limited

**Financial Statements
30 June 2023**

GraceKennedy Foundation Limited

Index

30 June 2023

Independent Auditor's Report to the Members

Financial Statements

Page

Statement of comprehensive income	38
Statement of financial position	39
Statement of changes in equity	40
Statement of cash flows	41
Notes to the financial statements	42 - 51

GraceKennedy Foundation Limited

Statement of Comprehensive Income

Year ended 30 June 2023

(expressed in Jamaican dollars unless otherwise indicated)

	2023	2022
	\$'000	\$'000
Income		
Interest & dividend	69,681	59,030
Other	98,558	90,627
	<u>168,239</u>	<u>149,657</u>
Expenditure		
Annual Lecture Series	5,077	-
Grants	18,524	13,528
Scholarships & Bursaries	27,591	29,327
University Chairs & Research Expense	6,250	7,500
Environmental Projects	6,067	5,000
Directors' Emoluments	-	-
Stationery	35	68
Expenses	360	390
Fees	540	540
Bank Charges	53	71
GK Corporate Expenses	70,129	58,356
Other Operating Expense	1,438	4,380
Motor Vehicle and Travel Expenses	139	39
Public Relations	1,002	754
Meetings & Conferences	1,622	344
Fees - Registrar General	-	15
	<u>138,930</u>	<u>120,312</u>
Net Surplus	<u>29,309</u>	<u>29,345</u>

GraceKennedy Foundation Limited

Statement of Financial Position

30 June 2023

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2023 \$'000	2022 \$'000
ASSETS			
Non-Current Assets			
Investments	6	1,595,126	1,888,386
Current Assets			
Accounts Receivable		5,838	3,942
Inventory		521	268
Taxation Recoverable		3,303	8,013
Cash and Cash Equivalents	7	126,311	136,416
		135,973	148,639
Current Liabilities			
Accounts Payable & Accrued Liabilities	8	73,739	52,550
Net Current Assets			
		62,234	96,089
		1,657,360	1,984,475
Long term Liabilities			
Jamaica Institute for Excellence in Education Scholarship		2,976	-
Net Assets			
		1,654,384	1,984,475
FINANCED BY			
Endowment	3	1,948,108	1,951,435
General Fund		56,615	27,306
Fair Value Reserve	9	(350,339)	5,734
		1,654,384	1,984,475

Approved for issue by the Board of Directors on November 27, 2023, and signed on its behalf by:



Chaluk Richards

Director



Fred Kennedy

Director

GraceKennedy Foundation Limited

Statement of Changes in Equity

Year ended 30 June 2023

(expressed in Jamaican dollars unless otherwise indicated)

	Endowment	General Fund	Fair Value Reserve	Total
	\$'000	\$'000	\$'000	\$'000
Balance at 30 June 2021	1,861,586	19,546	12,038	1,893,170
Net surplus for the year	21,585	7,760	-	29,345
Fair value movement	68,264	-	(6,304)	61,960
Balance at 30 June 2022	1,951,435	27,306	5,734	1,984,475
Jamaica Institute for Excellence in Education Scholarship moved from Equity to Long Term Liability	(3,327)	-	-	(3,327)
Fair value movement	-	-	(356,073)	(356,073)
Net surplus for the year	-	29,309	-	29,309
Balance at 30 June 2023	1,948,108	56,615	(350,339)	1,654,384

GraceKennedy Foundation Limited

Statement of Cash Flows

Year ended 30 June 2023

(expressed in Jamaican dollars unless otherwise indicated)

	2023 \$'000	2022 \$'000
Cash Resources were used in:		
Operating Activities		
Net Surplus	29,309	29,345
Items not affecting cash:		
Exchange gain on foreign balances	(8,872)	(14,109)
Interest and dividend income	(69,681)	(59,030)
	(49,244)	(43,794)
Changes in operating assets and liabilities:		
Accounts Receivable	(1,896)	(410)
Accounts Payable and Accrued Liabilities	21,189	48,402
Inventory - Food Bank	(253)	491
	(30,204)	4,689
Withholding Tax	4,710	(545)
Cash (used in)/provided by operating activities	(25,494)	4,144
Investing Activities		
Proceeds From Disposal of Investments	160,243	164,191
Acquisition of investments	(211,999)	(163,365)
Interest and Dividends Received	67,496	59,395
Cash provided by investing activities	15,740	60,221
Financing Activity		
Repayment of long term debt	(351)	-
(Decrease)/Increase in cash and cash equivalents	(10,105)	64,364
Cash and cash equivalents at Beginning of year	136,416	72,052
Cash and cash equivalents at End of the year	126,311	136,416

GraceKennedy Foundation Limited

Notes to the Financial Statements

30 June 2023

(expressed in Jamaican dollars unless otherwise indicated)

1. Identification and Activities

GraceKennedy Foundation Limited (The Foundation) was incorporated in Jamaica on 22 October 1982 and its main objects are to develop and promote the arts, health, culture, sports, education, skills and religious programmes. The Foundation is registered as an approved charitable organisation under the Charities Act 2013. The current registration expires on 26 May 2024.

The financial statements were approved and authorised for issue as indicated on the statement of financial position. The directors have the power to amend and reissue the financial statements.

At meeting on May 24, 2022, the Board of Directors approved the consolidation of all endowment funds into one. The funds were consolidated as at July 01, 2022 and excluded the balance on the contribution received from the Jamaica Institute for Excellence in Education Scholarship which was reclassified to a Long Term Liability.

2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB). These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from those estimates.

At the year end, in the opinion of directors and management, there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Standards, interpretations and amendments to published standards effective in the current period

At the date of authorisation of these financial statements, certain new standards, interpretations and amendments to existing standards have been published that became effective during the current financial year. The Foundation has assessed the relevance of all such new standards, interpretations and amendments and has determined that none is relevant to its operations.

Standards, interpretations and amendments to published standards that are not yet effective

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been issued which are mandatory for the Foundation's accounting periods beginning after 1 July 2022, and which the Foundation has not early adopted. The Foundation has assessed the relevance of all such new standards, interpretations and amendments, and has determined that all standards, interpretations and amendments to existing standards, which are published but not yet effective are either relevant to its operations but will have no material impact on adoption; or are not relevant to its operations and will therefore have no impact on adoption; or contain inconsequential clarifications that will have no material impact when they come into effect. This includes amendments resulting from the IASB's ongoing 'Improvements to IFRS' project.

GraceKennedy Foundation Limited

Notes to the Financial Statements

30 June 2023

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Significant Accounting Policies (Continued)

(b) Revenue recognition

Interest and dividends are accounted for on the accrual basis.

(c) Cash and cash equivalents

Cash and cash equivalents are carried on the statement of financial position at cost and comprise balances which mature within 90 days of the date of acquisition, including cash and bank balances.

(d) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset in one entity and a financial liability or equity of another entity.

Financial assets

(i) Classification

Classification of the Foundation's financial assets depends on the business model for managing such assets and the contractual terms of the cash flows. The Foundation classifies its financial assets as those measured at amortised cost and fair value through other comprehensive income (FVOCI).

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Foundation commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Foundation has transferred control of the assets.

(iii) Measurement

Measurement of debt instruments depends on the Foundation's business model for managing the asset and the cash flow characteristics of the asset. The Foundation classifies its debt instruments into two measurement categories:

Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in the income statement using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as a separate line item in the income statement.

FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Changes in fair value are taken through OCI. The recognition of interest income and impairment gains or losses are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in the income statement using the effective interest rate method. Impairment losses are presented as a separate line item in the income statement.

(iv) Impairment

The Foundation assesses on a forward-looking basis the expected credit loss associated with its financial instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

GraceKennedy Foundation Limited

Notes to the Financial Statements

30 June 2023

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Significant Accounting Policies (Continued)

(e) Financial instruments (continued)

The fair value of the Foundation's financial instruments is discussed in Note 18.

Financial instruments carried on the statement of financial position include cash, investments, and accounts receivable. Cash and cash equivalents are carried at cost and, for the purposes of the statement of cash flows, comprise cash at bank and short term deposits. The particular recognition methods for other financial instruments are disclosed in the individual policy statements associated with those items.

3. Funding

The Foundation is funded through endowment funds and a subvention from GraceKennedy Limited. At meeting on May 24, 2022, the Board of Directors approved the consolidation of all endowment funds into one. The funds were consolidated as at July 01, 2022 and excluded the balance on the contribution received from the Jamaica Institute for Excellence in Education Scholarship which was reclassified to a Long Term Liability. The balances were as follows:

	1 July 2022
	\$'000
Contribution Fund	32,988
GraceKennedy Scholarship Fund	1,017,293
S. Carlton Alexander Memorial Fund	722,572
James Moss-Solomon Snr. Chair Fund	94,009
Bruce Rickards Fund	54,429
Luis Fred Kennedy Fund	26,817
	<u>1,948,108</u>

The balance on the contribution received for the Jamaica Institute for Excellence in Education Scholarship was converted to a long-term liability. Payments will be made until the balance of \$2,974,557 (2022 - \$3,326,557) is depleted.

4. Share Capital

The Foundation is limited by guarantee and has no share capital.

5. Taxation

No charge has been made for taxation as the Foundation has been granted tax exempt status as an approved charitable organisation under the Charities Act 2013.

GraceKennedy Foundation Limited

Notes to the Financial Statements

30 June 2023

(expressed in Jamaican dollars unless otherwise indicated)

6. Investments

	2023	2022
	\$'000	\$'000
FVOCI Securities		
Government of Jamaica		
J\$ and US\$ local bonds	156,327	169,607
Interest receivable	2,127	2,085
	<u>158,454</u>	<u>171,692</u>
Corporate Bonds		
J\$ and US\$ bonds	345,234	289,740
Interest receivable	5,365	3,222
	<u>350,599</u>	<u>292,962</u>
	<u>509,053</u>	<u>464,654</u>
Quoted ordinary stocks	1,086,073	1,423,732
	<u>1,595,126</u>	<u>1,888,386</u>

7. Cash and Cash Equivalents

	2023	2022
	\$'000	\$'000
Cash	102,031	75,818
Deposits	24,280	60,598
	<u>126,311</u>	<u>136,416</u>

8. Accounts Payable and Accrued Liabilities

	2023	2022
	\$'000	\$'000
Accrued Liabilities	18,934	22,067
The Ocean Cleanup Project	54,805	30,483
	<u>73,739</u>	<u>52,550</u>

9. Fair Value Reserve

This represents the unrealised surplus or deficit on the revaluation of FVOCI investment securities held by the General Fund.

GraceKennedy Foundation Limited

Notes to the Financial Statements

30 June 2023

(expressed in Jamaican dollars unless otherwise indicated)

10. Financial Risk Management

The Foundation's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. Management seeks to minimise potential adverse effects on the financial performance of the Foundation by applying procedures to identify, evaluate and manage these risks, based on guidelines set by the Board of Directors.

The Board of Directors is ultimately responsible for the establishment and oversight of the Foundation's risk management framework. The most important types of risk are credit risk, liquidity risk, market risk and other operational risk. Market risk includes currency risk and interest rate risk.

(a) Credit risk

The Foundation takes on exposure to credit risk, which is the risk that its counterparties will cause a financial loss for the Foundation by failing to discharge their contractual obligations. Credit risk is one of the most important risks for the Foundation; management therefore carefully manages its exposure to credit risk. Credit exposures arise principally from the Foundation's investment activities. The Foundation structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to a single counterparty or group of related counterparties.

Impairment of Financial Assets

The debt investments carried at FVOCI are the only significant financial assets that are subject to the expected credit loss model.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, all bank balances are assessed to have low credit risk at each reporting date as they are held with reputable banking institutions.

Maximum exposure to credit risk

The Foundation limits its exposure to credit risk by investing mainly in liquid securities, with counterparties that have high credit quality and Government of Jamaica securities. Accordingly, the management and directors do not expect any counterparty to fail to meet its obligations.

Payment is made on a purchase once the securities have been received. The trade will fail if either party fails to meet its obligation.

	2023 \$'000	2022 \$'000
Credit risk exposures are as follows:		
Government of Jamaica securities FVOCI	158,454	171,692
Corporate securities FVOCI	350,599	292,962
Accounts receivable	5,838	3,942
Cash and cash equivalents	126,311	136,416
	<u>641,202</u>	<u>605,012</u>

The above table represents the worst-case scenario of credit risk exposure to the Foundation.

GraceKennedy Foundation Limited

Notes to the Financial Statements

30 June 2023

(expressed in Jamaican dollars unless otherwise indicated)

10. Financial Risk Management (Continued)

(b) Liquidity risk

Liquidity risk is the risk that the Foundation is unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Liquidity risk management process

The Foundation's liquidity management process, as carried out within the Foundation and monitored by the Board of Directors, includes:

- (i) Monitoring future cash flows and liquidity on a regular basis;
- (ii) Maintaining a portfolio of highly liquid assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
- (iii) Optimising cash returns on investment.

The contractual maturities of the undiscounted cash flows of the financial liabilities are due within three months of the period end.

(c) Market risk

The Foundation takes on exposure to market risk, which is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates and interest rates. The Board of Directors monitors the market and its impact on the Foundation's securities on a regular basis, and takes appropriate action to minimise the effect of market fluctuations.

There has been no change to the Foundation's exposure to market risk or the manner in which it manages and measures the risk.

(i) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Foundation is exposed to foreign exchange risk primarily with respect to the United States (US) dollar. The statement of financial position at 30 June 2023 includes aggregate foreign assets of \$211,303,000 (2022 - \$189,243,000).

The Foundation manages its foreign exchange risk by ensuring that the exposure in foreign assets is kept to an acceptable level by monitoring currency positions.

GraceKennedy Foundation Limited

Notes to the Financial Statements

30 June 2023

(expressed in Jamaican dollars unless otherwise indicated)

10. Financial Risk Management (Continued)

(c) Market risk (continued)

(i) **Currency risk (continued)**

Foreign currency sensitivity

The change in currency rate below represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis represents outstanding foreign currency denominated monetary items and adjusts their translation at the period-end for a possible change in foreign currency rates.

	% Change in Currency Rate	Effect on Net Surplus	% Change in Currency Rate	Effect on Net Surplus
	2023	2023 \$'000	2022	2022 \$'000
Devaluation	-4%	8,452	-4%	7,570
Revaluation	+1%	2,113	+1%	1,892

(ii) **Interest rate risk**

Interest rate risk is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Foundation takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on financial position and cash flows. The average interest rates of financial instruments are as follows:

	2023	2022
	%	%
Investments -		
Government of Jamaica Securities	10.5	8.2
Corporate securities	8.0	6.6

11. Fair Value of Financial Instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Market price is used to determine fair value where an active market exists, as it is the best evidence of the fair value of a financial instrument. However, market prices are not available for a significant number of the financial assets held by the Foundation. Therefore, for financial instruments where no market price is available, the fair values presented have been estimated using present value or other estimates and valuation techniques based on market conditions existing at balance sheet date.

GraceKennedy Foundation Limited

Notes to the Financial Statements

30 June 2023

(expressed in Jamaican dollars unless otherwise indicated)

11. Fair Value of Financial Instruments (Continued)

The values derived from applying these techniques are significantly affected by the underlying assumptions used concerning both the amount and timing of future cash flows and the discount rates. The following methods and assumptions have been used:

- (a) The fair value of cash and other assets maturing within one year is assumed to approximate their carrying amount. This assumption is applied to cash and short-term elements of all other financial assets.
- (b) The fair value of variable rate financial instruments is assumed to approximate their carrying amounts.
- (c) The fair value of other financial instruments is based upon projected cash flows discounted at an estimated current market rate of interest.

The following table presents the Foundation assets that are measured at fair value at 30 June 2023. The financial assets are grouped into levels 1 to 3 based on the degree to which the fair value is observable, as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

	Level 1 \$'000	Level 2 \$'000	Total balance \$'000
	2023		
Assets			
Fair value through OCI -			
Equity securities	1,086,073	-	1,086,073
Debt investments	-	509,053	509,053
	1,086,073	509,053	1,595,126
	2022		
Assets			
Fair value through OCI -			
Equity securities	1,423,732	-	1,423,732
Debt investments	-	464,654	464,654
	1,423,732	464,654	1,888,386

There were no transfers between levels during the period.

