

ANNUAL REPORT 2016

A ROLE MODEL FOR CONSERVATION



**OL PEJETA  Y
CONSERVANCY**

LETTER FROM OUR CEO

OUR VISION

To become an innovative and sustainable development model that conserves biodiversity (particularly endangered species) and contributes to economic growth and the improvement of the livelihoods of rural communities.

OUR MISSION

OI Pejeta Conservancy works to conserve wildlife, provide a sanctuary for great apes, and to generate income through wildlife tourism and complementary enterprise for reinvestment in conservation and communities.

OUR BOARD OF DIRECTORS

Philip Coulson, Chairman
Joanna Elliott (Fauna & Flora International)
Dr. Annette Lanjouw (Arcus Foundation)
Mike Watson (Lewa Wildlife Conservancy)
Hon. Francis Ole Kaparo
Michael Gichangi
Dr. Helen Gichohi
Vijay Gidoomal
Daniel Szlapak

Despite all of the challenges we face, OI Pejeta continues to grow and achieve its principal conservation and community development goals. We remain host to the single most significant black rhino population in East Africa, one of only nine so-called 'Key 1' populations on the African continent. And we continue to support the communities living around us, spending over US\$650,000 in 2016 on various development projects.

OI Pejeta Conservancy aims to set new standards in conservation. We see ourselves as the model for sustainable land management in Kenya. A recent survey showed that OI Pejeta, as well as employing close to 1,000 people, now leads Laikipia in terms of its annual contribution to the local and national economy. We have created a model for conservation that not only secures populations of highly endangered species, but is also productive and therefore politically relevant. Our challenge now is to see this model replicated at a landscape level to secure wildlife habitat and rural livelihoods for the future and, perhaps, as a long term means to mitigate some of the politically instigated land invasions witnessed across Laikipia towards the end of 2016.

To that end we are becoming increasingly engaged beyond our immediate boundaries within the greater Laikipia ecosystem. Working with community groups as the key beneficiaries and decision makers, we are slowly establishing more productive conservation space on the Mutara ranch, our neighbour to the immediate north. If we can succeed here, we feel this will provide the platform for a conservancy movement on community land in Laikipia to recover degraded rangelands for support of wildlife and local communities. We hope that this effort will be augmented with support from a growing coalition of like-minded ranches and conservancies within the county.

Looking towards the future there is every chance that 2017 will present new challenges, with national elections scheduled for August and predictions of drought for the first half of the year. Of critical importance over the next 12 months will be the creation of improved fundraising capacity to continue to pay for the costs of securing our growing rhino population, and to finance the needs of the work we envisage within the greater Laikipia landscape.

May I close by thanking all of our partners, donors and suppliers for their ongoing support to this organisation. We are appreciative and grateful and look forward to a collaborative and productive 2017.



A handwritten signature in black ink, appearing to be 'R. Vigne', written over a white background.

Richard Vigne
CEO
OI Pejeta Conservancy



OL PEJETA CONSERVANCY AND MUTARA CONSERVATION AREA

- ROADS
- ADC FIREBREAKS
- MAIN ROAD
- ALL WEATHER ROADS
- BUSH TRACKS
- RIVERS
- PLAINS
- MAIN CONSERVATION AREA
- WILDLIFE CORRIDORS
- ENDANGERED SPECIES ENCLOSURE
- ANIMAL 'DAMS'
- JUNCTION NUMBERS
- SWEETWATERS CHIMPANZEE SANCTUARY
Visiting hours 10.00am to 4.00pm
- SELFCAMPING SITES/PICNIC SITES/COTTAGES
- RHINO GRAVEYARD
For all the rhinos poached on Ol Pejeta
- MAJOR CAMPS AND LODGES
- MOUNT KENYA WILDLIFE ESTATE (MKWE)

OL PEJETA CONSERVANCY

A ROLE MODEL FOR CONSERVATION
 Ol Pejeta Conservancy works to conserve wildlife, provide a sanctuary for great apes and to generate income through wildlife tourism and complimentary enterprises for re-investment in conservation and community development.




In Laikipia...
HIGHEST PREDATOR DENSITY
 estimating 66 lions,
 20 cheetahs & wild dogs



114 BLACK RHINOS
 ...which is 16% of Kenya's population, 26 southern whites & 3 northern whites



36 CHIMPANZEES
 ...and the only sanctuary in Kenya, now housing Manno, rescued from Iraq



7,500 CATTLE
 ...the largest boran herd in the world including 1,500 head of community cattle

OL PEJETA CONSERVANCY

2016 HIGHLIGHTS



981 EMPLOYEES

- 27,000 followers on Twitter
- 35,000 followers on Instagram
- 82,000 followers on Facebook



National taxes:
1.74 MILLION
 US\$

County taxes:
51,000
 US\$

Community projects:
650,000
 US\$

AWAR

Trip Advisor Certificate of Excellence
 (2012 - 2016)



Eco Warrior Private Conservancy of the Year
 (2012, 2015 & 2016)



Best for Wildlife Conservation
 African Responsible Tourism Award 2016

Listed on IUCN Green List of Protected Areas

CONSERVATION

HIGHLIGHTS



144 RHINOS

with 14 births in 2016, verified by independent audit

30 RHINO EAR NOTCHES

80% of OI Pejeta population now notched which is 20% higher than the national target



4 COLLARED LIONS

to help improve our understanding of prey-predator interactions

CHIMPANZEE PROGRAMME

enrichment programme expanded and improved, with artificial termite mounds for cognitive stimulation, and to demonstrate their intelligence to visitors

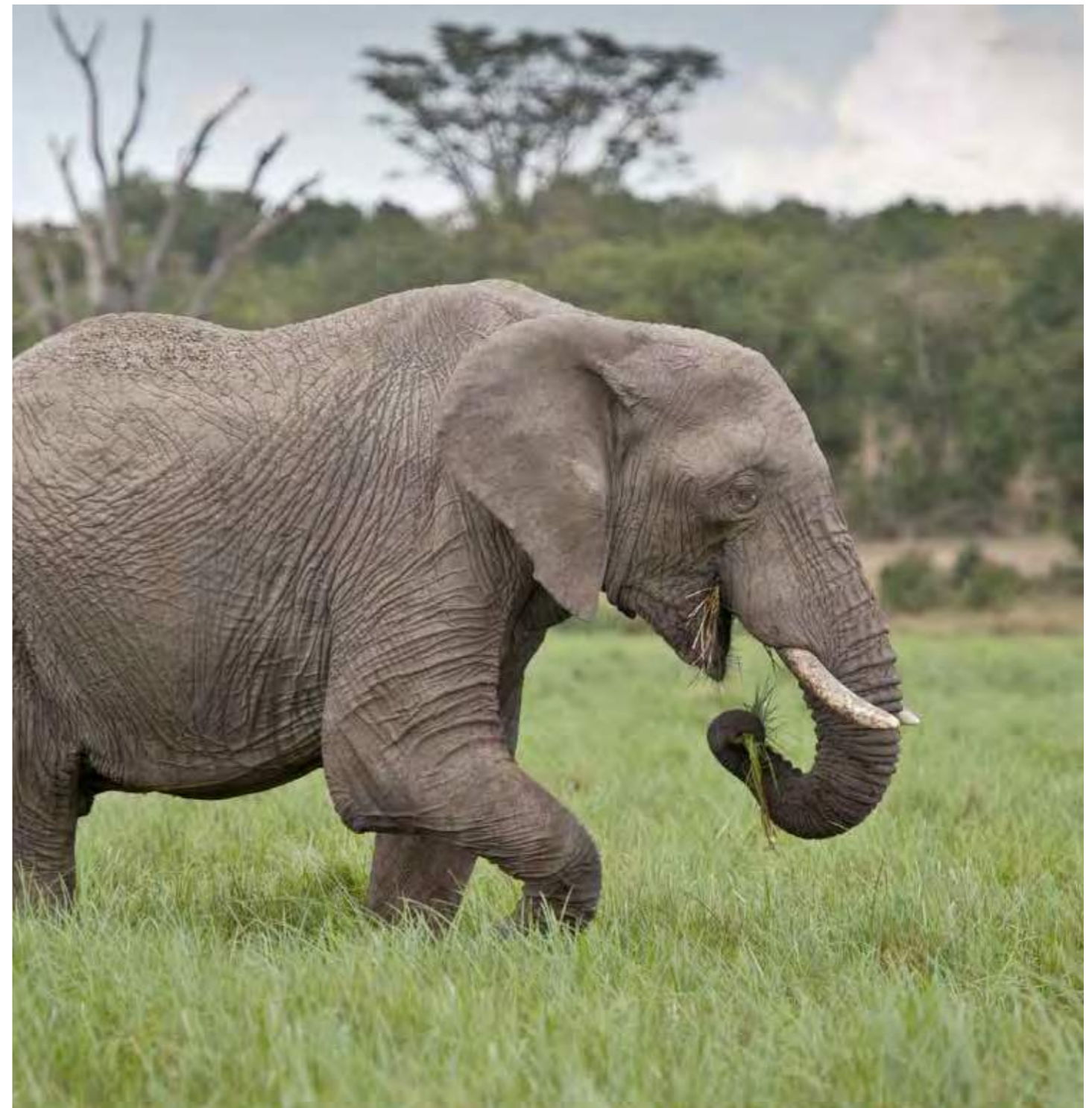


GREVY'S ZEBRAS

herd continues to expand

JACKSON'S HARTEBEEST

new breeding programme underway



OI PEJETA'S CONSERVATION VISION

Enhanced ecological integrity and biodiversity across our landscapes

Conservation of endangered species both within and beyond our borders

Advocate and care for orphaned and abandoned chimpanzees

We partner with international wildlife, security and research specialists to ensure we stay at the forefront of conservation innovation. These partnerships enable our conservation decisions to be based on good science, effective monitoring and global best practice.

RHINO CONSERVATION

As set out in our 2020 management plan, our goal is to reach a population of 130 black rhinos in the next four years. We are well on course to achieve this. Our annual independent rhino population independent audit confirmed a population of 114 black rhinos by the end of 2016, with a total of 14 black rhino births in the year. OI Pejeta continues to be home to the single largest population of black rhinos in East Africa. The audit also confirmed a white rhino population of 26.

Seven rhinos were lost to poaching / disease / old age in 2016. Despite the loss of three rhinos to poachers, OI Pejeta continues to have an excellent track record for rhino protection, maintaining high standards from a monitoring and security perspective. Thirty animals were ear notched in 2016, with support from the World Wide Fund for Nature (WWF), the African Wildlife Foundation (AWF) and the US Fish and Wildlife Service (USFW) to enable more effective field identification. A further 12 will be ear notched in 2017. The security and surveillance costs attached to rhino conservation remain high, at around US\$10,000 per rhino per year. As our rhino numbers continue to increase the costs of their protection will be met through continued enhancement of commercial and donor revenue streams.

Deserving of a mention in our annual report is Ringo, an abandoned southern white calf who was rescued and hand-reared by rangers in October 2015. Ringo stole the hearts of OI Pejeta staff and visitors alike. Tragically, he succumbed to metabolic bone disease in July 2016. In his short life, Ringo touched many OI Pejeta supporters around the world, and served as a fantastic ambassador for rhino conservation.

The northern white rhino conservation initiative continues to face financial and biological challenges. The next step in the in vitro fertilization (IVF) project requires northern white rhino embryos to be implanted into southern white rhino surrogate females. OI Pejeta and its partners in Europe, in particular Dvur Kralove Zoo in the Czech Republic, continue to fundraise for this process and the long-term recovery of a viable population of northern whites, at an estimated cost of over US\$9 million. The actual cost of feeding and maintaining the remaining three northern white rhinos amounts to US\$15,000 a year.



2020

Let's reach the

130 BLACK RHINO TARGET!

2016

So far we have...

114 BLACK RHINOS

OTHER SPECIES

Understanding animal behaviour helps us to better shape conservation strategies, as well as take preventative action to prevent human/wildlife conflict. Two lions were collared in 2016 – bringing the total number of collared lions on OI Pejeta to four. Data from these collars will enhance our understanding on lion movements, and their impact on prey species and livestock. A further three VHF collars have been acquired for 2017. Ten leopards were captured and removed from community areas in 2016 to mitigate human wildlife conflict.

OI Pejeta's targeted endangered species interventions focus on Grevy's zebra, Jackson's hartebeest and oryx. In 2016, one male hartebeest was captured and moved into the endangered species enclosure to join the 14 females already there. This predator-proof environment will enable numbers to increase sufficiently

to begin to re-stock the greater conservation area. Our Grevy's population continues to grow and every effort will be made to create a viable founder population of oryx during 2017.

OI Pejeta's annual wildlife census continues to depict a stable system. Of the key prey species - Thomson's gazelle, Grant's gazelle, impala and warthog - numbers show growing trends. Decreasing trends however were noted in common zebra.

2016 increase in...

THOMSON'S GAZELLE, GRANT'S GAZELLE, IMPALA & WARTHOG!

VETERINARY CARE

OI Pejeta's resident vet, Dr. Stephen Ngulu, underwent a training visit to South Africa in 2016 with Ecolife Expeditions. This trip provided an in-depth, wildlife-centric educational experience across a range of landscapes, and included IVF training (sperm retrieval and storage, oocyte retrieval, maturation and storage), which was particularly relevant to OI Pejeta's northern white rhino project. Stephen is now fully accredited with the Kenya Wildlife Service (KWS) and will provide a wildlife veterinary support service to southern Laikipia going forwards. Facilitating this, in particular the purchase of a fully equipped vehicle, will be a major focus for our fundraising efforts in 2017.



ECOLOGICAL MONITORING UNIT

OI Pejeta's ecological monitoring unit (EMU) provides a platform, and acts as a catalyst for conservation science in Kenya. The 2016 activities for the EMU team included:

Attending a CyberTracker SMART training session at Mpala Research Center in May. This was organised by the African Wildlife Foundation, and was aimed at harmonising data collection methods in Laikipia. More effective data sharing at landscape level will enable conservation strategies to be aligned across conservancy borders.

Hosting the first 'WildClass' with a team of students from the USA. This an environmental education platform established by OI Pejeta, OI Jogi, Mpala and the Laikipia Wildlife Forum. It is aimed at exposing international students to conservation issues.

Successfully hosting four EarthWatch teams of volunteers between July and September, as well as hosting five "emerging scientists" from the Universities of Nairobi and Karatina.

Attending a conference in Nairobi targeted at leveraging markets for climate friendly sustainable development in Laikipia. OI Pejeta aims to replace all diesel generators with solar power over the next two years; this will be achieved through the creation of an energy services company that will aim to provide renewable energy to the conservation sector in future.

Attending a short course on field methods in mammalogy - sponsored by University of Wyoming, Mpala Research Centre, and the National Museums of Kenya.

Collaborating with the OI Pejeta livestock team, the EMU spearheaded the pasture assessment programme, which saw the establishment of a working grazing committee. This initiative aims to improve overall utilisation of pastures on OI Pejeta, reducing potential competition between cattle and wildlife, and enhancing grassland quality/quantity across the Conservancy.

FUN RECEIVE

ARCUS FOUNDATION



SEA WORLD & BUSCH GARDENS CONSERVATION FUND



PASA



COLUMBUS ZOO AND AQUARIUM



CHIMPANZEES

The Sweetwaters Chimpanzee Sanctuary continues to provide a safe haven for rescued chimpanzees. The OI Pejeta supported advocacy project Project to End Great Ape Slavery (PEGAS) funded by the Arcus Foundation also continues to support research into great ape trafficking, and work with authorities all over the world to lobby for more effective action against great ape slavery. The most high profile rescue of 2016 was that of Manno, a chimpanzee rescued from a zoo in Iraq. He arrived at Sweetwaters on 30th November 2016, the result of over two year's worth of cross-continental efforts between several conservation organisations and government departments.

Sweetwaters gratefully received funding grant from The Sea World and Busch Gardens Conservation Fund and PASA in 2016 for emergency repairs to the chimpanzee sanctuary fence, damaged as a result of floods.

Enclosure enrichment for the mental well-being of resident chimpanzees is a priority for the Sweetwaters

team. The Max Planck Institute has a resident team stationed at Sweetwaters conducting research on the cognitive behaviour of chimpanzees. With support from this team, the overall enrichment programme within the sanctuary was enhanced, including the creation of an artificial termite mound, constructed in the enclosure to stimulate the natural 'fishing' behaviour exhibited by wild chimpanzees. Excitingly, the Sweetwaters chimpanzees have been using the termite mound, using sticks to fish for food hidden inside. Not only has this kept them occupied, but keepers have also reported improved social interaction between individuals as a result.

In July 2016, Dr. Jane Goodall conducted a high profile visit to Sweetwaters with the Director General of the Kenya Wildlife Service and the Kenya Director of Veterinary Services. This was welcome exposure for the Sanctuary, and prefixed the second 2016 steering committee meeting, held in November (the first was conducted in June).

COMMUNITY

HIGHLIGHTS



2 LIBRARIES

two new school libraries built

ICT SUPPORT

extended to 8 schools



HEALTHCARE ACCESS

for 20,000 people

WATER PANS & TANKS

83 water pans and 40 water tanks built

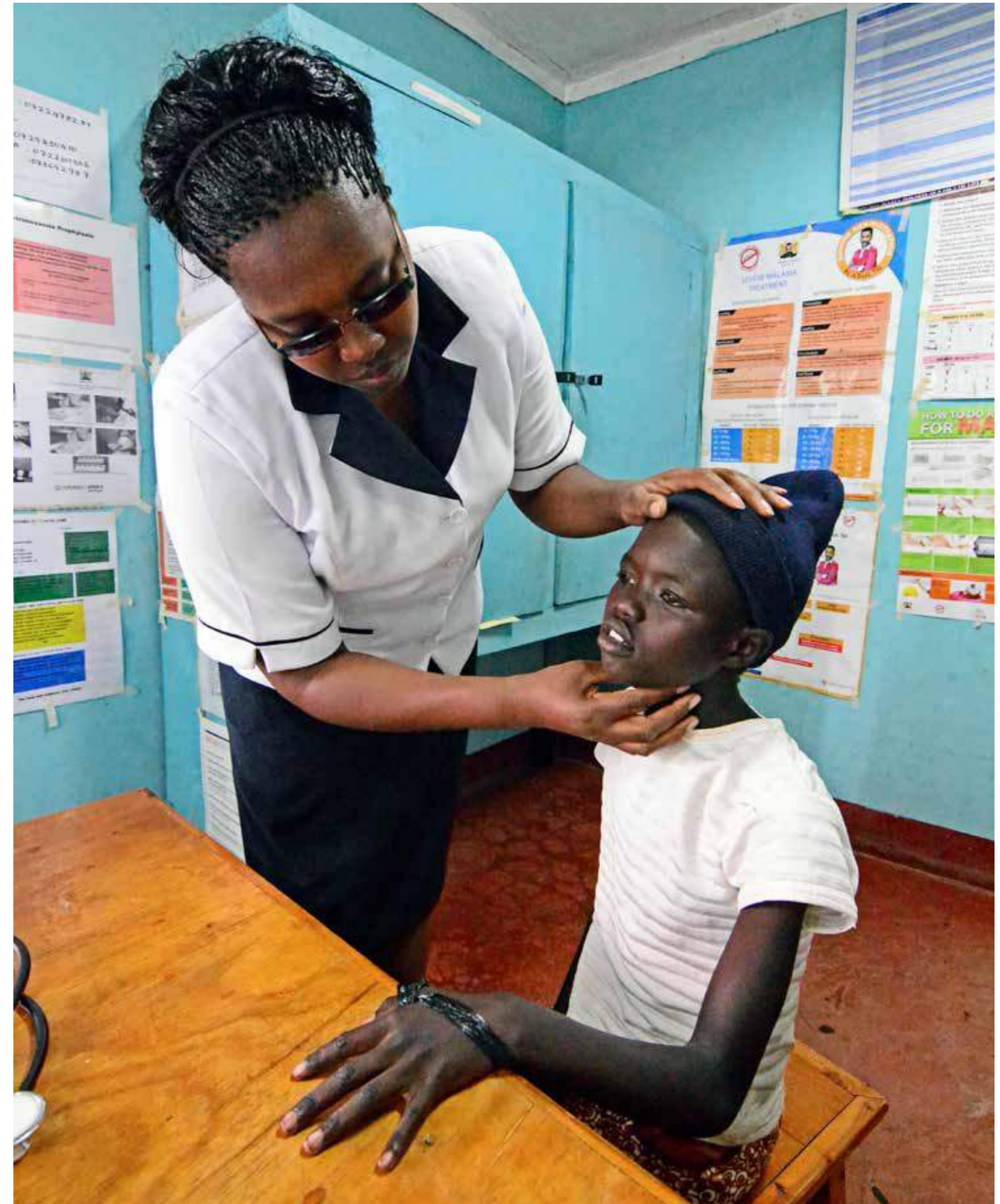


ENERGY SAVING STOVES

received by 248 families

STUDENT BURSARIES

58 students awarded full bursaries,
42 awarded part busaries.
Seven Kenyan students visited
Canada on cultural exchange



One of OI Pejeta's key pillars is its work and impact in the surrounding communities through support to education, agriculture and livestock enterprise. In addition to this, the Conservancy extends services in healthcare, sustainable energy and community enterprise initiatives. In 2016, OI Pejeta invested US\$650,000 across its neighbouring communities through these development initiatives, improving the lives and livelihoods of hundreds of people.

E

In 2016, we established two school libraries and purchased equipment to support eight computer laboratories in our neighbouring schools. In conjunction with Mawingu, through a grant from Paul G. Allen and Family Foundation, an ICT Officer was hired to provide ICT training to teachers in these eight schools. This collaboration has since enabled the provision of internet access, projectors and tablets, teaching notes and software that the teachers need to meet their students' digital literacy needs. Support from the Canadian organisation Afrotech Aid Society enabled us to provide computers and chrome books to four of these schools, boosting their learning. Additional

support from Afrotech Aid Society has since made it possible to introduce the ARES (African Ruggedized Education System) box, a specialised server designed to allow three of these schools to access a reservoir of offline educational content.

Through a global learning initiative, working with the Canadian charity PA-MOJA, 19 local schools were paired with schools in the US and Canada for cultural education, academic learning and exchange visits. In 2016, seven Kenyan students and one teacher travelled to Canada under this initiative.

THANKS TO...



WE ACHIEVED...

- Two school libraries built
- 8 computer labs' equipment
- ICT officer training teachers
- Internet, projectors, tablets, teaching notes & software provided
- Computers & chrome books to 4 schools provided
- The introduction of ARES (African Ruggedized Education System) box
- 19 schools paired with schools in USA & Canada
- 7 students travelled to Canada with a teacher

HEALTHCARE

OI Pejeta facilitated health care access to 20,000 people through the provision of medical supplies and improved diagnostic capabilities to six health centres. The OI Pejeta dispensary, located inside the Conservancy, attended to an average of 450 people every month. The mobile clinic, which provides medical care to communities living in remote areas, treated an average of 450 – 600 individuals per month through various outreach efforts.



AGRICULTURE

Water remains a vital and often rare resource for communities neighbouring OI Pejeta. Rainwater harvesting is one of the most sustainable and inexpensive ways to collect water for both domestic and farming use, and over the years, we have worked with farmers to promote collection methods.

In 2016, 83 water pans and 40 water tanks were built. We also worked with nine farmer groups and a water users association to establish 12 nurseries with 75,000 indigenous tree seedlings for catchment rehabilitation. In addition to this, we also worked to support agriculture in the following ways:

Subsidised over 300 artificial insemination services to improve the genetic pool of community livestock among small-scale farmers.

Introduced a Community Livestock Programme which works to improve the quality of beef from pastoral communities through fattening and the sale of the beef by linking the communities to Nairobi beef markets.

Through our Jiko Project, we provided 248 families with cost effective and energy efficient stoves. This was done with the help of Die Ofenmacher, a key donor in the energy sector. These stoves reduce firewood usage by 40% to 55%, helping preserve forests.

TOURISM

HIGHLIGHTS



24% UP

increase in total number of visitors

NON-RESIDENTS IS UP 51%

increase in arrivals from non-residents



RESIDENTS & CITIZENS IS 14% UP

increase in domestic visits

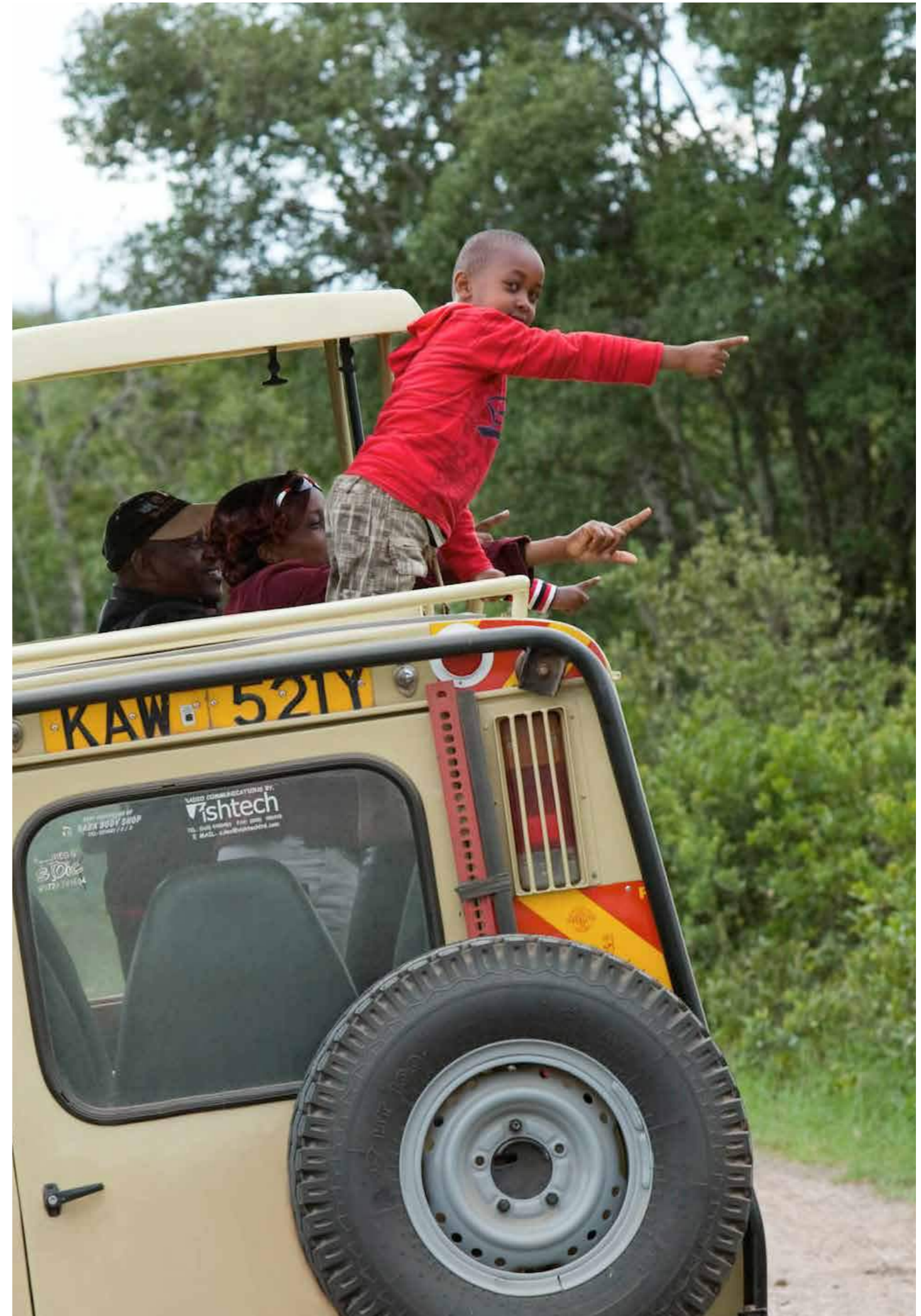
VALUE ADDED IS UP 88%

increase from 'value added' income
(sales of Conservation Activities)



24,660

visits from school children



In 2016, international visitors to Kenya increased by 16.7% compared to the previous year. This positive result was reflected at OI Pejeta's gates, with a 24% increase in the total number of visitors in 2016, with non-resident arrivals increasing by 51% - from 15,952 in 2015 to 24,141 in 2016.

Domestic arrivals increased by 14% to a total of 36,581, an encouraging development that is a testament to our efforts to attract more local visitors. This has a huge strategic importance – having Kenyans visit wild places increases their understanding of the threats facing wildlife and instils a passion for conservation and environmental protection.

OI Pejeta has always encouraged visits from local school groups. In 2013, the Conservancy introduced a school group incentive offering subsidised rates during different times of the year to enhance the quality of the children's experience. In 2016, 24,660 children visited through this programme, compared to 20,737 visits in the previous year.

The expansion of the chimpanzee visitor centre and the introduction of a purpose-built adoption centre has seen revenue from adoptions grow by a staggering 98%. Additionally, sales of conservation activities, which have been designed to inspire

visitors to learn first-hand about conservation, have not only improved the experience on OI Pejeta but have also contributed extra revenues.

As always, education of our visitors is of great importance. Correct and continuous conservation messaging is necessary for a better understanding of the complexities of OI Pejeta and all the work that is done here for both conservation and community development. 2016 saw the guides undertake a 12-day, extensive guide-training course with Essential Guiding. Four guides went on to pass their bronze KPSGA exams.

We are greatly encouraged by this increase in the number of both local and international visitors. The impressive increases indicate a healthy recovery in the tourism sector following a tough few years. Whilst 2017 is an election year and will be a challenge for the industry, OI Pejeta will continue to endeavour to provide a world-class tourism experience that inspires awe of the natural world.

Due to the chimpanzee visitor centre expanding, and the introduction of a purpose-built adoption centre...

**REVENUE FROM
CHIMPANZEE
ADOPTION
UP BY 98%**



Good news for us...

**KENYA'S INTERNATIONAL
VISITORS INCREASED IN 2016**

AGRICULTURE

HIGHLIGHTS



NET PROFIT 43% UP

increase from 2015

MORTALITY 3% DOWN

decrease since 2015



US\$440,000 REINVESTED

income from livestock reinvested into conservation and community projects



1,597 CATTLE SOLD



GRASS PASTURE ESTABLISHED

470 acres of new Rhodes grass pasture established



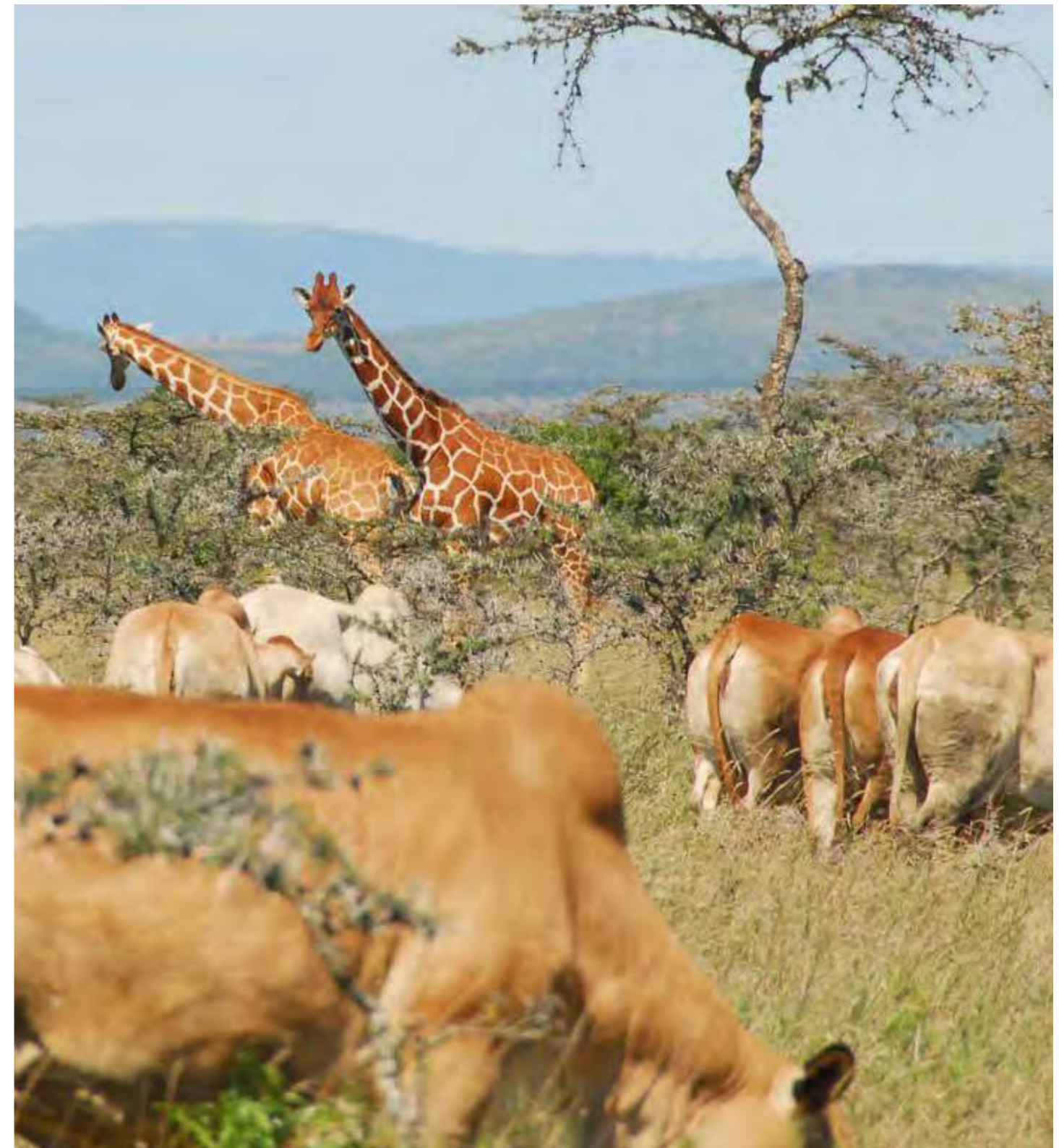
NEW LOAN PROGRAMME

new community livestock loan programme piloted



NEW TECHNOLOGY

new technology piloted and installed to aid in production monitoring



OI Pejeta Conservancy uses integrated land management to make livestock a productive, profitable and ecologically beneficial business. All profits are reinvested into community and conservation programmes.

Total revenue from our on-site slaughterhouse and breeding sales reached USD 1.56 million in 2016. In total 1,597 animals were sold, a number that surpassed our budgeted target of 1,475. This was due to favourable fattening conditions, which allowed for a shorter time period for cull cows between weaning and slaughter.

Of the cattle sold, 1,261 were homebred cattle and 336 were trade cattle purchased from outside the Conservancy. Lion predation was responsible for 1.2% of overall herd mortality of 3.48% - well under the budgeted 5%.

NEW ID TECHNOLOGY

After extensive trials, we have rolled out new micro-chipping technology for all home cattle. These electronic transponders assign each animal with a unique 16 digit electronic ID and are inserted beneath the skin. Not only are they more reliable and humane than traditional hot iron branding, they will eventually allow for full traceability of our beef by the consumer – who will be able to scan a bar code on packaged beef and receive a full history of the animal.

Our new state-of-the-art Tru Test digital weighing scales and cloud based cattle software programme Cattlemax now allow us to seamlessly measure the performance of our entire herd of 6,000 Boran cattle. Over time this will enable the livestock team to make better informed decisions to increase our productivity and profitability.

BROOKESIDE LIVESTOCK BREEDERS

We strive to be regional leaders in breed and beef quality, and this was reflected in our 2016 trophy haul from the Brookside Livestock Breeders Show in Nairobi. The show, which is held every two years, is the only serious beef show in Kenya and is attended by cattle breeders from all over Africa. This year's judge was a very respected Simmental breeder from Namibia, Kaspar Gunzel.

OI Pejeta's Awards:

**RESERVE JUNIOR
CHAMPION BULL**

**RESERVE
CHAMPION HEIFER**

**WINNER HEIFER UNDER
2 YEARS OLD**

**CHAMPION PEN OF
THREE HEIFERS**

**WINNER PEN OF THREE,
4 TEETH STEERS**

**RESERVE CHAMPION PEN
OF THREE STEERS**

CHAMPION STEER

**RESERVE CHAMPION
BORAN BULL**

**RESERVE CHAMPION BEEF
BREED BULL**

STOCKMAN'S TROPHY



ARTIFICIAL INSEMINATION



We have begun using artificial insemination as a tool to propagate our top stud genetics within our commercial herd. The three top performing stud bulls were used on 552 heifers and 115 commercial cows in 2016, with the first batches of calves being born later in the year. Initial results are encouraging enough to pursue this more widely in 2017.

FODDER PRODUCTION

OI Pejeta aims to be self-sustaining in all aspects of livestock production, including feed. Four hundred and 70 new acres of hay were planted in 2016, bringing the total acreage under hay cultivation to 775 acres. In 2017, we aim to have a total of 900 acres fully established which will make us the largest known commercial hay operation in East Africa.

All hay harvested is stored into our drought reserves that act as insurance fodder for our cattle in serious drought conditions. Any surplus hay is sold on the commercial market and this is beginning to form a new revenue stream for the conservancy that will further increase profitability, while making our livestock operation more sustainable and resilient. Once our drought reserves are fully stocked we will be in a position on average to sell around 70% of all hay harvested.



BUSH THINNING

OI Pejeta's wheat and hay farming areas have become overrun with bush in some areas, which is reducing productivity. Traditionally, we have used burning as a control mechanism, but in 2016 we explored a sustainable charcoal programme instead. Local community members were employed to cut branches from bushes for charcoal production, leaving a single

stem on the tree for re-growth. Not only does this tackle the overgrowth of bush on our agricultural land, but the charcoal will bring an additional revenue stream for the Conservancy (US\$45,000 in 2016), as well as providing sustainable employment in the local community (salaries totalled US\$22,500 in 2016).

LIVESTOCK LOAN PROGRAMME



An unsustainable surge in stock numbers over the past few years has put untold pressure on the rangelands of northern Kenya; many are now entirely degraded as a result. This is compounded by climate change and unplanned grazing. The rangeland degradation results in poor quality livestock, and perpetuates a cycle of poverty for pastoral families who often know no other alternatives. At the same time, the wildlife that sustains the area's ecotourism suffers too.

Through the Community Livestock Programme, OI Pejeta purchases steers for fattening and slaughter from owners living along its borders. Instead of buying the animals outright, local livestock owners loan steers to the programme in return for a guaranteed rate of interest. Effectively the owners are thus using their cattle as collateral, as one might deposit money with a bank.

On arrival cattle are valued at current market rates, and once they have been weighed and micro chipped, owners are presented with an official printed sheet containing the animal's chip number, brand number, purchase weight and purchase value. They then sign a contract with OI Pejeta which takes ownership of the steer. When the animal is sold, the owner receives the purchase prices plus up to 14% interest per annum. Thus farmers are provided with a profitable destocking mechanism and OI Pejeta makes a small profit.

This system, whilst in its infancy, is seen as more sustainable than similar schemes previously tried in other parts of Kenya. Over time the Community Livestock Programme hopes to contribute to an overall reduction in stock numbers in the landscape, and provide a long-term solution for the recovery and improved management of degraded grasslands for people and wildlife.

LIVESTOCK LOAN PROGRAMME

ON ARRIVAL

Livestock is...
valued + weighed + chipped

THEN

Owner is presented a doc with...
chip no. + brand no. + purchase weight + purchase value

AND

A contract is signed between
owner + OI Pejeta

ANIMAL SOLD

OWNER
receives the
purchase price
+ up to 14%
interest per
annum

OL PEJETA
makes a
small profit

HUMAN CAPITAL

INVESTING IN PEOPLE



IMPROVED LIVING CONDITIONS

12 staff houses constructed

MEDICAL COVER

enhanced medical cover for all staff



SPORTS & RECREATIONAL ACTIVITIES

TEAM BUILDING



HEALTH & SAFETY

HIV / AIDS awareness, first aid and fire safety training



INVESTING IN PEOPLE

IMPROVED LIVING CONDITIONS

At OI Pejeta, we recognise our successes are only possible because of the hard work and dedication of our teams. In return we strive to ensure that they are well taken care of. This includes providing adequate housing.

Traditionally most field rangers and staff have been housed in uniports, which, though functional, have not been ideal. In 2016, 12 staff houses were constructed to improve their living conditions. In addition to the houses, six staff camps were upgraded and now have new toilets, bathrooms and kitchens. This has gone a long way in improving the morale of the entire team and further upgrades are expected in 2017.



ENHANCED MEDICAL COVER FOR ALL STAFF

In 2016, all management employees were provided with a medical cover. Enhanced medical cover for unionisable employees was also provided. In addition to our in-house dispensary, we also introduced a health cover that includes dependants for union staff.

TEAM BUILDING

In 2016, we held an event dubbed the Mingle "kwa macho" Edition - which created a platform to engage over 400 employees from different departments in a fun filled day of activities. This promoted teamwork, creativity and innovation. We also facilitated the purchase of a new staff bus to ferry employees to and from town. This is an important asset that enables workers to interact in comfort, furthering intra-departmental relations.

SPORTS & RECREATIONAL ACTIVITIES

Employees were provided with new sports equipment to enhance how they spend their recreational time. 2016 saw our athletics and football teams participate in various tournaments and friendly matches. The biggest highlight of the year was the Laikipia Highland Games where the OI Pejeta teams bagged several medals and trophies.

COMMUNICATIONS

In 2016 we managed to introduce a wide variety of measures designed to improve the flow of information between management and employees. We now have a dedicated hotline which employees can use to get in touch with the HC office and report any issues impeding a healthy work/life balance on OI Pejeta. Noticeboards and a SMS platform were also introduced to ensure all vital information is disseminated to staff members in a timely and efficient manner. Monthly meetings with Shop stewards are also held to ensure that staff members are happy and motivated - a key ingredient to enhancing productivity.

HEALTH & SAFETY

- Conducted HIV/AIDS awareness to OI Pejeta employees
- Community HIV/AIDS outreach
- Conducted first aid training for OI Pejeta staff
- Conducted fire safety training & serviced fire fighting equipment
- Three waste cages built for more effective litter collection and disposal
- Conducted water analysis testing at the three main staff water boreholes

SECURITY

HIGHLIGHTS



114 BLACK RHINOS PROTECTED



K9 UNIT COMPRISING 3 BLOODHOUNDS AND 3 MALLINOIS

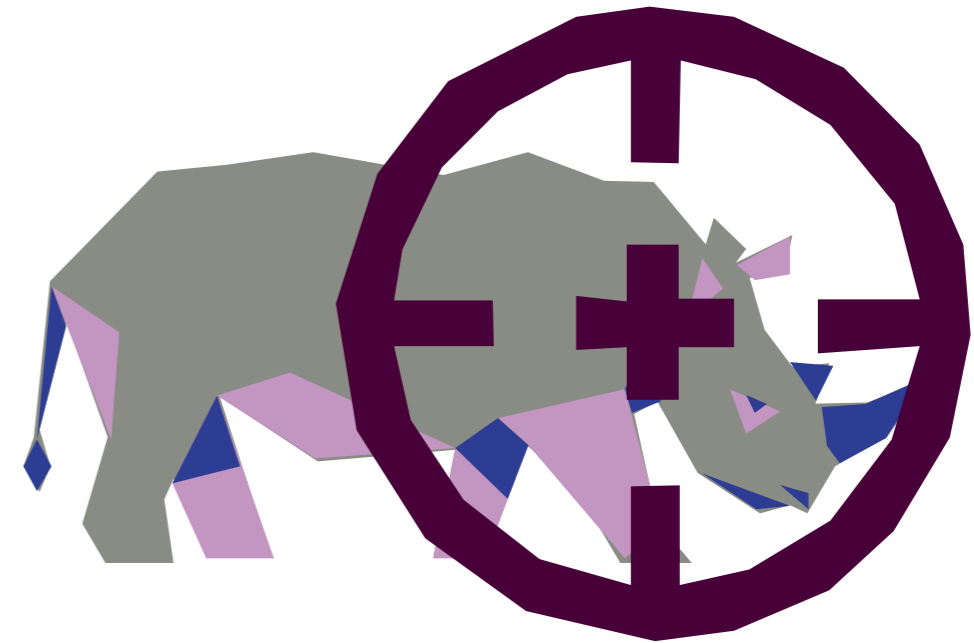
in addition to deterring poaching, the dogs have contributed positively to good relationship with local communities

2 POACHING ATTEMPTS FOILED



ASSISTED COMMUNITY WITH CASES OF THEFT & GENERAL INSECURITY

intervened 9 times throughout the year



The protection of endangered species at a time when poachers have access to increasingly sophisticated technology and significant financial resources is costly and challenging. OI Pejeta hosts East Africa's largest population of highly endangered black rhinos – 16% of Kenya's population – as well 26 southern white rhinos and the world's last three northern white rhinos. We therefore have a duty to remain at the forefront of anti-poaching initiatives – using the latest technology and standard operating procedures.

Despite our best efforts, there were two poaching incidents in 2016. The first occurred on 23rd February, where poachers managed to kill a female black rhino (Ishilini) and remove the horns. Five poachers were

arrested in connection to this incident and the horns were recovered. The second incident occurred on 8th October, where OI Pejeta armed teams engaged in live fire with the suspects. One poacher sustained serious injuries, and a G3 rifle with 30 rounds of ammunition was recovered at the point of contact.

The South Africa Woman Association (SAWA) support to the OI Pejeta Armed Team has enabled the purchase of night vision binoculars, 28 radio batteries, a field solar panel, and 30 ranger tents. It has also enabled OI Pejeta to provide further training to their armed teams – this has improved the rangers' skills, efficiency, morale and teamwork.



TECHNOLOGY

HIGHLIGHTS



SOLAR WATER PUMP

successful pilot of solar water pump at Scott's borehole

REMOTE SENSING TECH

transformative remote-sensing technologies assisting in real-time data collection



POINT OF SALE IN MORANI'S RESTAURANT

new point of sale system at Morani's Restaurant

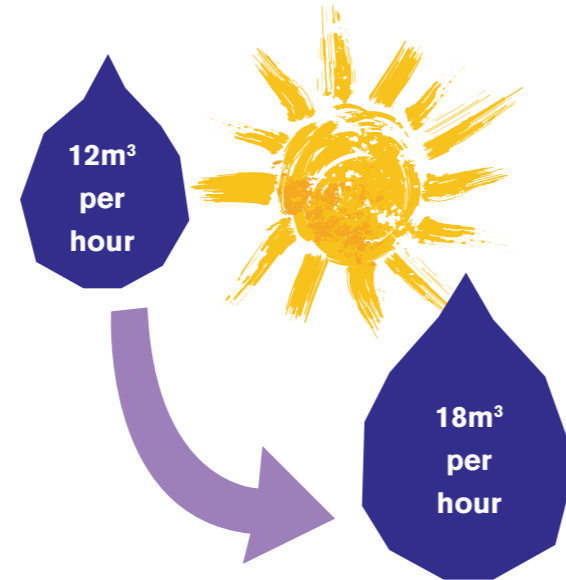


OI Pejeta champions the adoption and utilisation of technology in four broad areas; IT, energy, disruptive and emerging technologies. Our vision is to be at the forefront of innovation – and collaborate with like-minded partners to deliver sustainable tech solutions for conservation and community development.

RENEWABLE ENERGY TECHNOLOGY

On average, it costs US\$165,000 a year for OI Pejeta to generate electricity with diesel generators. Not only is this expensive, but it is contrary to our approach to environmental sustainability. In 2015, we started an ambitious project to move away from fossil fuel energy to solar, with initial cost estimates at US\$1.5 million for a full conversion of the Conservancy. The first trial site was at Scott's borehole, which traditionally used a diesel generator to pump 12m³ of water per hour. A partnership with Pure Leapfrog secured OI Pejeta a £30,000 grant from the British Airways Carbon Fund in August 2016 for a new solar water pump for Scott's, which was completed in September.

The new system is designed to provide 18m³ of water per hour, which will cater for future growth in demand.



US\$7,000 per year saved in running costs



INTERNET OF THINGS

The Internet of Things (IoT) refers to a system of interrelated devices, mechanical and digital machines, objects, animals or people that are provided with unique identifiers, and the ability to transfer data over a network without requiring human-to-human or human-to-computer interaction. The remote sensing aspect of these technologies are particularly useful for OI Pejeta, given the geographical challenges of on-site data collection (vehicle fuel & maintenance costs to carry this out, and significant personnel time). Sensors

provide a lot of real-time information that aids in rapid decision-making.

For example, at the Scott's borehole project, sensors relay real-time information on a variety of different variables including irradiation, water flow rates and tank levels.

Ultimately our water management system will be fully automated through the internet significantly improving efficiencies across the Conservancy.

GOOGLE CLOUD



In April 2016, we migrated our email services to G Suite, a Google cloud service. This is a set of intelligent apps including Gmail, Docs, Drive and Calendar to connect people no matter where in the world they are. Previous email challenges included outages and unsynchronized mailboxes and calendars - especially for users with more than one device. G Suite's fully synchronised email system has already enabled more effective internal communications, and we will look to roll out more G Suite services in 2017.

MORANIS POS

We are constantly looking for ways to encourage day visitors to OI Pejeta, and Morani's Restaurant is one of our most important assets in this endeavour. 2016 saw the implementation of an iPOS system (POS = Point of Sale). This new system has enabled more efficient restaurant operations and reduced food costs.



NETWORKS

2016 saw huge growth in our Wide Area Network (WAN) with new point-to-point and Wi-Fi links that:

- Connected OI Pejeta's National Police Reserve (armed) rangers to WAN
- Made Wi-Fi accessible to Morani's Restaurant patrons
- Enabled on-site chimpanzee adoptions at the Sweetwaters Information Centre

Our network underwent major upgrades in 2016, including new smart switches to improve packet transmission and network management, upgraded links between Kamok and HQ, and Kamok to the workshop to handle increased online traffic. We also acquired a Network Attached Storage (NAS) in 2016, which was deployed in Kamok and our local off site backup, and provides OI Pejeta with 25TB of storage and backup capacity.

FINANCIAL EFFICIENCY

EVERY DOLLAR HITS THE GROUND RUNNING

OI Pejeta is one of the few conservancies in the world to be able to cover almost all of its basic annual operating costs (US\$6.5 million) through its own sustainable, commercially generated revenues – primarily tourism and agriculture.

However, our fundraising partnerships play a vital role in our ability to deliver community support and conservation initiatives. We will aim to raise over US\$1.5 m to deliver conservation and community development within the Laikipia landscape in 2017.

OI Pejeta is also a significant contributor to the local economy and to central government. Furthermore we continue to be a major local employer – and provided 981 full time jobs to Kenyans in 2016. At the same time, OI Pejeta's involvement in community development programmes continues to grow, with over US\$650,000 spent in support of health, education and agriculture initiatives in 2016.

Whilst the bulk of revenues are derived from tourism (174 beds in 6 camps/ lodges), OI Pejeta has shown over the last 10 years, that the integrated system of wildlife and livestock not only works, but can actually be beneficial to the grasslands at the same time as helping to maximise productivity. We are the leaders in Laikipia for top quality conservation beef, and our on-site abattoir reduces transport costs as well as our carbon footprint.

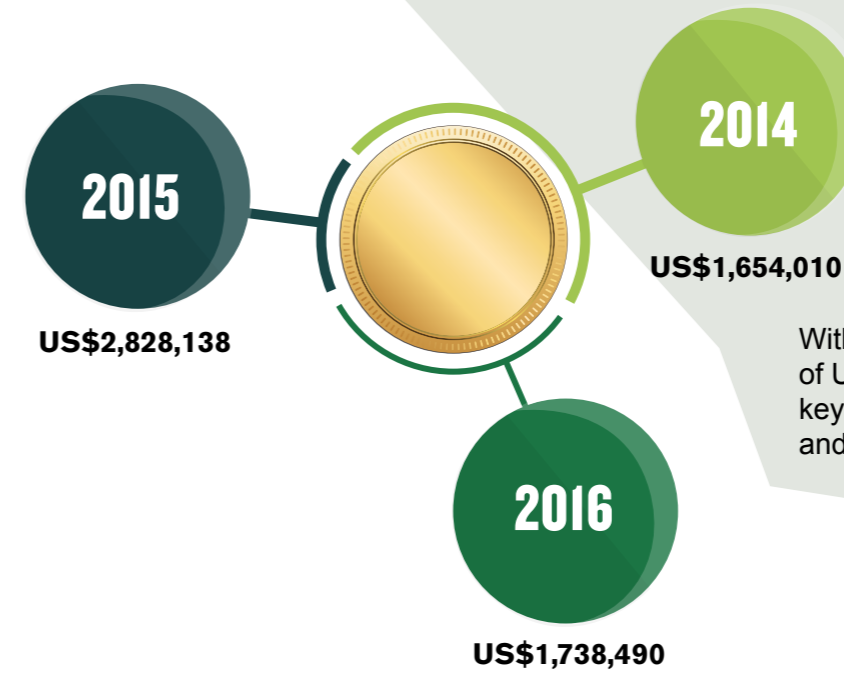


NET VALUE OF CONSERVANCY

The value of direct expenditure of the Conservancy and its partners into the local economy grew increasing by 11% in 2016 to US\$12 million. This includes staff costs, taxes and purchases from vendors.



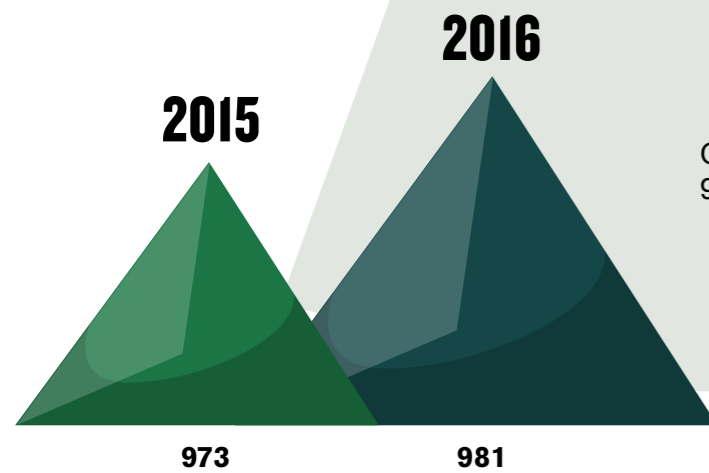
CONTRIBUTION TO THE KENYAN ECONOMY FROM EARNED REVENUES



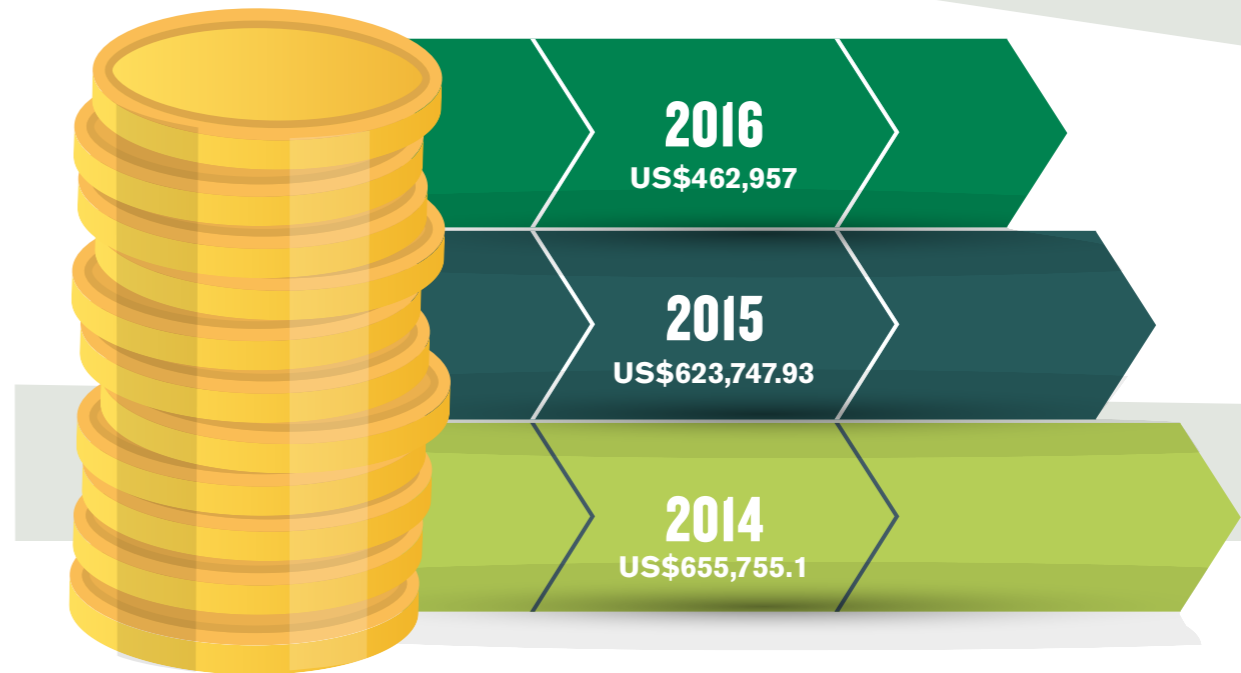
With a combined contribution to the central government of US\$1.7 million in 2016 in taxes and levies, we are a key contributor to the growth of the Kenyan economy and the welfare of its citizens.

TOTAL DIRECT EMPLOYEES

OI Pejeta is an engine for employment and provided 981 full time jobs to Kenyans in 2016.

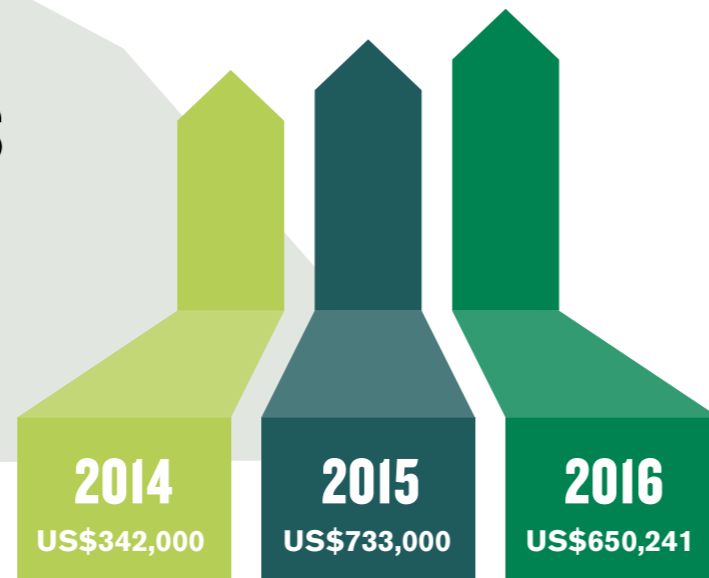


DIRECT GRANTS & DONATIONS TO SUPPORT CONSERVATION & COMMUNITY DEVELOPMENT



DIRECT EXPENDITURE ON COMMUNITY PROGRAMMES

In line with our mission, the involvement in community development programmes continues to grow with US\$650,000 spent in 2016. We are working on strengthening our fundraising partnerships which will enable more tangible and meaningful involvement with our communities.



5 YEAR FUNNEE

CONSERVATION & COMMUNITY

CONSERVATION NEEDS

US\$700,000

Strategy 1: Conserve Wildlife & Their Habitats

US\$250,000

Strategy 2: Secure Contiguous Habitat

US\$440,000

Strategy 3: Chimpanzee Sanctuary Programme

US\$70,000

Strategy 4: Human - Wildlife Conflict Minimized Through Appropriate Management Actions

US\$330,000

Strategy 5: Support to NPR Armed Team & K9 Unit

COMMUNITY DEVELOPMENT NEEDS

US\$3,260,000

Goal 1: Education 2020 - Elimu Yetu Programme

US\$280,000

Goal 2: Community Health Programme - Afya Kwa Jamii Programme

US\$560,000

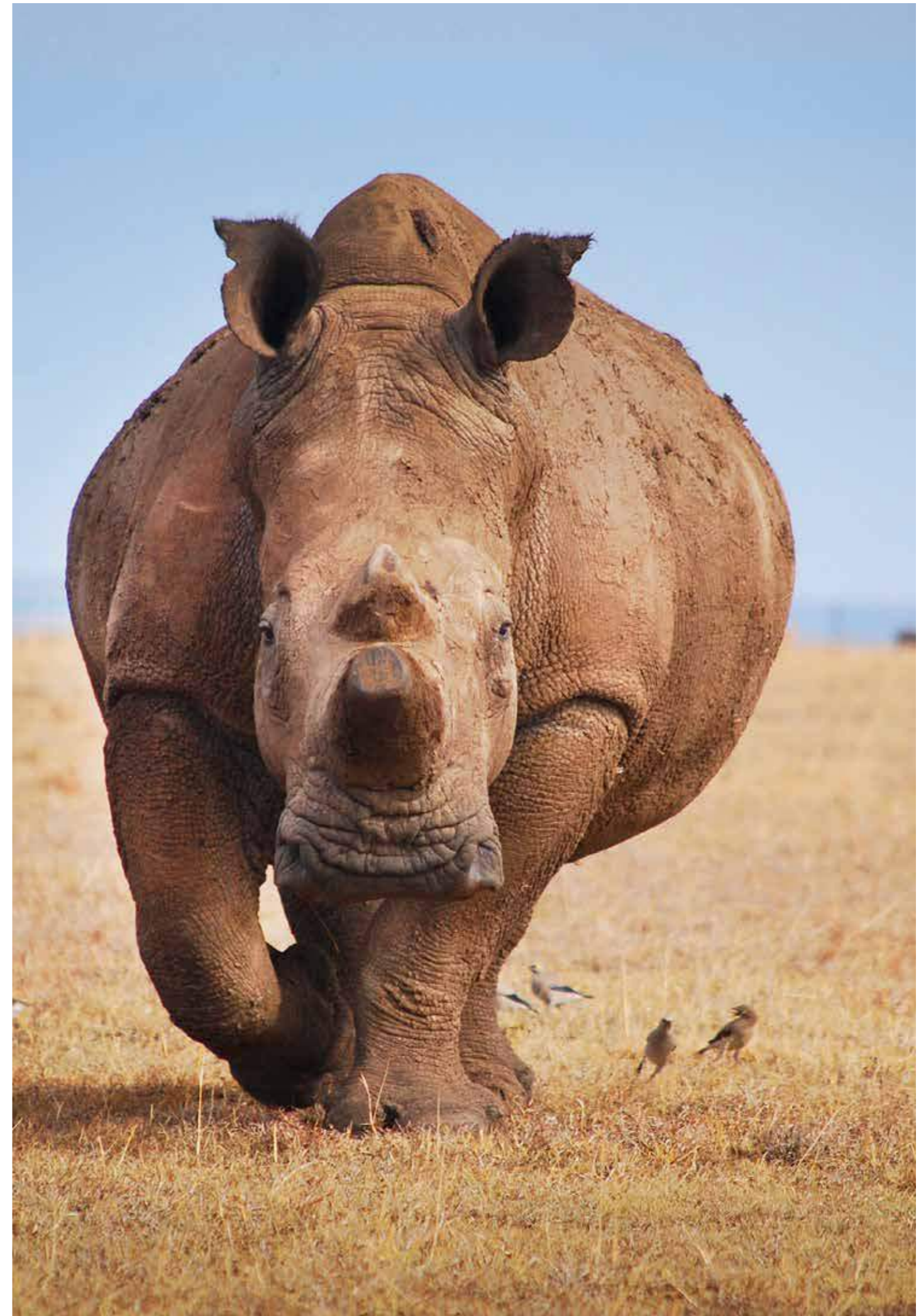
Goal 3: Agriculture & Water - The Full Basket Initiative

US\$300,000

Goal 4: Energy - Green Powered Communities

US\$780,000

Goal 5: Enterprise Development - Prosper Programme



CONSERVATION NEE

TOTAL BUDGET (US\$): 1,790,000

STRATEGY 1: US\$700,000

Conserve Wildlife & Their Habitats

Ecological monitoring, breeding programmes, strategic partnerships, technology in conservation, support to rhino patrolmen

STRATEGY 2: US\$250,000

Secure Contiguous Habitat

Wildlife corridors and connectivity, partnerships, secure new habitat

STRATEGY 3: US\$440,000

Chimpanzees Sanctuary Programme

Chimpanzees security and welfare, chimpanzees advocacy against the illegal global trade/trafficking

STRATEGY 4: US\$70,000

Human - Wildlife Conflict Minimized Through Appropriate Management Actions

- Community - led HWC interventions
- Partnerships with the County Conservation and Compensation Committee

STRATEGY 5: US\$330,000

Support to NPR Armed Team & K9 Unit

- NPR Support: Provision of uniforms, housing, equipment, training, rations, tactical and field medics, transport
- K9 Unit support: Vet support, dog food, training, equipment, rations, transport, uniforms and medics

COMMUNITY

TOTAL BUDGET (US\$): 5,180,000

GOAL 1: US\$3,260,000

Education 2020 - Elimu Yetu Programme

- Infrastructural Development and Equipment Supply (Shule Smart programme)
- Sponsorship and Bursaries (*Elimisha* programme)
- Conservation & Wildlife Education (*Elimu Mazingira*)
- ICT, E-Learning and Capacity Building (Digital learning Programme)

GOAL 2: US\$280,000

Community Health Programme - Afya Kwa Jamii Programme

- Health Care Infrastructure Development / and Upgrading (Clinics 2020)
- Capacity Building for Enhanced Healthcare Delivery (*Elimu Afya*)
- Community Health Outreaches (*Afya Kwa Jamii*)



GOAL 3: US\$560,000

Agriculture and Water - The Full Basket Initiative

- Supporting The Acquisition, Installation And Development Of Appropriate Infrastructure, Machinery And Equipment For Local Agricultural Production (Farm Tech Programme)
- Capacity Building For Farmers And Extension Workers (Kilimo Smart Programme)
- Facilitating Access To Improved Agribusiness Development Services (Agri-Bds) (Agri-Biz Programme)
- Promoting The Adoption Of Emerging Crops And Farming Technologies For Local Climate Change Adaption And Soil Conservation (Climate – Smart Agriculture Programme)
- Livestock Programme: Artificial Insemination/Animal Genetics (Ai), Disease Control, Cattle Dips
- Water Resource Management – OI Pejeta Water Plan, Rainwater Harvesting – Roof, Water Pans, Catchment Level Interventions



GOAL 4: US\$300,000

Green-Powered Communities

- Spearhead Support To Schools And Communities To Embrace Use Of Solar & Wind Energy (Solar Villages & Schools Programme)
- Advance And Popularize Replacement Of Traditional Three-Stone Open Fires With Energy Saving Stoves (Majiko Smart Programme)
- Advocate and Boost Platforms for Use of Liquefied Petroleum Gas In Place Of Wood Fuel. (Meko Yetu Programme)
- Reducing Carbon Emissions To Combat Climate Change; The OI Pejeta Solar - Powered Water Pump Project – 18 Pump Stations

GOAL 5: US\$780,000

Enterprise Development - Prosper Programme

- Supporting Agribusiness (Faida Farm Programme)
- Cultural Tourism And Handicrafts (Branded Jewelry, Tapestry, Basketry, Pottery, Carvings And Beadwork) (Tamaduni Village Works)
- Nature-Based Enterprises, Livestock Production And Marketing (Bio-Trade Programme)

A SPECIAL THANKS

TO DONORS AND INSTITUTIONS WHO WENT ABOVE
AND BEYOND TO HELP US ACHIEVE OUR GOALS...

AFRETECH AID SOCIETY a Canadian organisation, has for many years offered funding to purchase computers and books to numerous schools, and even helped set up modern libraries to boost learning. Additional support has also made it possible to introduce the ARES (African Ruggedized Education System) box, a specialised server designed to allow schools access a reservoir of offline educational content.

AFRICAN WILDLIFE FOUNDATION (AWF) partnered with OI Pejeta in a multi-year programme focusing on support to our black rhino conservation and management plan. The support was for ear notching, patrol housing, equipment and GIS laboratory.

ARCUS FOUNDATION over the years supported the Sweetwaters Chimpanzee Sanctuary to enable it to provide a safe haven for rescued chimpanzees. Most recently, Arcus has funded Project to End Great Ape Slavery (PEGAS), an advocacy programme that has conducted research into great ape trafficking, and worked with authorities all over the world to lobby for more effective action against great ape slavery.

FAUNA & FLORA INTERNATIONAL (FFI) played a key role in the establishment of OI Pejeta in 2004 and the creation of a larger wildlife conservation area that has provided the secure habitat to enable expansion of the black rhino population. Since then, FFI has provided invaluable support for both conservation and community development on a multi-year basis.

HELPING RHINOS is a UK based non-profit with affiliate in the US is playing a key role in raising much needed funds for rhino protection and management. Recently, they hosted a successful fundraising event in London to benefit OI Pejeta's programme.

OL PEJETA RHINO ASSOCIATION (OPRA) a joint partnership between OI Pejeta and five founding members has plans to contribute, collectively, £25,000 per annum for three years, aggregating £75,000 to support black rhino security. This support is going towards the armed security and K9 teams.

PA-MOJA A Canadian charity, PA-MOJA, has over the years grown to include 19 sister schools in North America, including three in the United States, to raise close to US\$400,000 to build multiple classrooms, libraries, biogas stations and to provide uniforms and bursaries for hundreds of Kenyan children each year. By supporting the community, which in turn supports the bordering wildlife conservancy, PA-MOJA fulfils its mandate to help both people and wildlife.

PURE LEAPFROG Based in the UK, Pure Leapfrog supported the conversion of Scott's borehole from diesel to solar in a pilot scheme that OI Pejeta hopes will be replicated across other boreholes in the conservancy to reduce its carbon footprint.

ROTARY CLUB INTERNATIONAL along with her affiliates: Rotary World Help, Rotary Clubs of Langley, B.C and Rotary Club of Nairobi North have supported our community programmes by making annual shipments of medical equipment and refurbishing infrastructure at six local dispensaries.

US FISH & WILDLIFE SERVICE has continued to support protection and biological management of OI Pejeta's black rhino population every other year since 2007. This support has enabled growth of our population to reach a continentally significant Key 1 status of 114 individuals.

ZMN-BEIJING formerly Woodpecker through the Sino-Africa Education Hope Programme funded construction of the Njoguini Primary School as well as delivered solar power systems to Eleri Primary and Mwituria Secondary Schools. Additionally, they have assisted in the drilling of borehole and library construction at Njoguini.



PHOTO CRE

Thank you for contributing to the Annual Report:

Frank AF Petersens: Cover page, 7, 8
Chris Peken: page 13, 42
Natalie Solveland: page 17
Teeku Patel / Sokomoto Images: page 21, 23
Juan Pablo Moreiras: page 23
Maurice Schutgens: page 28, 35
Tierney Ferrell: page 29
Joe Were: page 31, 32
Colin Hancock/AllOneWorld Media: page 39
Martin Harvey: page 41

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A ROLE MODEL FOR CONSERVATION