



Power for better living

Company Information 2019

MAKING CUSTOMERS SMILE

In every street, in every town



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Unless you try to do something beyond what you have already mastered, you will never grow.

If the plan doesn't work, change the plan, not the goal.

Raise the Bar! One finds limits by pushing them.

A note from the CEO

Car & General's strong reputation and business success have been built on doing what is right and what we say we will do - making customers smile in every street in every town. That is why integrity is one of our key values.

This document serves as a value-based compass that guides us in the decisions we make and the actions we take every day as members of the Car & General family. It is meant to be a source of information about C&G, and its policies, guidelines and work practices.

Our 5 values, 5 disciplines and 10 ethical principles describes how we should conduct ourselves, how we should treat others and how we should do business. We are very proud of our core values and we are committed to implementing them in every aspect of our business.

Our quality Board of Directors will help us go a long way on our journey of becoming a great organization by implementing best practice in corporate governance and culture.

The Management team want you to raise issues and ask questions when something does not seem quite right or when you are not sure of what to do. At Car & General, you are empowered, empowered and encouraged to do the right thing and ask help when the right thing is not clear.

Remember, our values are who we are and who our customers, employees, shareholders and communities have come to know and depend on. Please help me to uphold our Company's reputation and brand promise.

Although we feel that one of the best ways to develop your trust and confidence in C&G is to be consistent in our practices, we also realize that it may occasionally become necessary to change or alter policy or work practice. Should such changes occur, we will attempt to notify members as soon as possible.

All members are expected to abide by information in this document. You are encouraged to use it as a guiding reference whenever you have a question and if you need additional information, please ask your Human Resources Manager.

We consider the provisions provided herein binding to all employees and that the employees should be aware of the consequences of infringement.

Given the challenging environment of the market today, Car & General is determined in building a culture of continuous improvement and challenging ourselves to doing better by raising the bar every day.

We want you to be part of this exciting journey. We have the right products and infrastructure. We strongly believe in making our customers smile in every street every town! We have however made progress even with the given challenges.

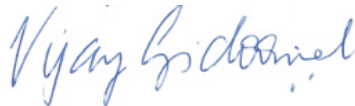
Our turnover is set to grow if we do the right thing. We expect more growth in the consumer businesses particularly motorcycles and three wheelers. Our investment in Watu Credit Limited is set to perform satisfactorily and our investment property is set to expand. Our poultry business is performing satisfactorily.

We now have a more balanced business with four distinct business lines being automotive and equipment distribution, real estate development, financial services and poultry.

This diversity builds sustainability and we are confident that each line offers scope for growth.

Going forward, we must run a more streamlined operation to ensure a solid business by living our Car & general values namely Making customers smile, Quality, Integrity, Innovation and Empowerment.

Welcome aboard!



Vijay Gidoomal
Chief Executive Officer
Car & General (Kenya) PLC



Our History

Car & General is the company behind a wide range of power generation, automotive and engineering products in East Africa for over 80 years.

Established in 1936 as Car & General Equipment Limited with a share capital of Kshs 5,400 in Nakuru before relocating to Nairobi in 1937, its initial objectives were to import and distribute automotive spare parts, white goods and re-treading. Tyre-retreading, introduced in 1941 was actually one of the pioneers of local industry.

It changed its name to Car & General (Kenya) Limited in 1966.

In 1950, Car & General was quoted on the NSE in 1950. In the 1960's branch offices in Kampala and Dar-es-Salaam were formed into separate subsidiaries – Car & General (Uganda) Limited and Car & General (Tanzania) Limited.

In 1996 and 1997, there was dramatic change in revenue base and Car & General re-invented itself from 2003 onwards. Today, our product range represents several international brand names in East Africa.

Our Footprint

Car & General is headquartered in Nairobi with main branches in Mombasa, Nakuru and Kisumu. We have sub-branches in Kisii, Kitale. Kitengela, Kericho, Eldoret, Bungoma, Nanyuki, Voi and Malindi.

We are also in Dar-es-Salaam, Tanzania (with a branch in Arusha) and Kampala, Uganda.

Our Services

The strongest selling feature of Car & General is the quality after sales service we offer.

We have fully skilled, professional and knowledgeable staff. We hold a comprehensive collection of parts, spares and accessories of all the products we sell.

Our Products

Car & General's product range covers reputable international brand names in power generation, automotive and engineering products in East Africa grouped into consumer and Equipment business categories.

Consumer products include TVS motorcycles. Piaggio three-wheelers, Briggs & Stratton small petrol engine power products (water pumps, lawn mowers, generators, brush cutters), Garmin satellite navigation devices, Mariner and Mercury outboard engines, Elecrolux laundry equipment, MRF tyres and Motorola lubricants.

The Equipment business consists of Cummins diesel generators, Ingersoll Rand air compressors, Kubota agricultural tractors, Toyota forklifts, BT lifting equipment, Doosan excavators and wheel loaders and ACE back hoes and graders.

At Car & General, we offer aftersales service – on shelf genuine parts and service by qualified personnel.

Our Companies

Car & General (Trading) Limited - Kenya

Distributes products in Kenya - both consumer and equipment products.

Car & General (Tanzania) Limited - Tanzania

Distributes products in Tanzania - both consumer and equipment products.

Car & General (Uganda) Limited

Distributes products in Uganda - both consumer and equipment products.

Cummins C&G

A joint venture that deals in Cummins, engines and parts.

NIIT C&G

A joint venture that deals in business management and IT training

Kibo Poultry

A poultry farm of day old chicks in Moshi, Tanzania.

Watu Credit

We have a stake in this micro-financing firm.

Nairobi Mega

Our rein Nairobi estae along Mombasa Road

Our Vision

To make customers smile in every street, in every town

Our Mission

To achieve leadership position in all our primary markets - power generation, automotive and engine-related products in East Africa.

Our Banner

Power for better living.

Our Journey

from good to great is on and we understand that customer focus is an issue of integrity.

Strategic Objectives

- To be the No. 1 choice of customer
- To achieve our financial objectives
- To be a great place of work
- To be a regional organization
- To be a great corporate citizen

Our Values

These are the core values that we have developed that make Car & General stand out. Our people practice it everyday, and in a very consistent manner everywhere we operate.

- **Making customers smile** – every street, every town through the lens of the customer.
- **Quality** – products, processes, people
- **Integrity** – Doing the right thing every minute, every day.
- **Innovation** – Maximizing output at minimum cost.
- **Empowerment** – Taking responsibility.

Our Disciplines

- **People:** Our people are the greatest asset that is why we are people-centric.
 - A-Grade, Live the Cargen Way, Promote from within, Encourage diversity
- **Thought:** Yes we can!
 - Think long-term, Information-based, Consultative
- **Communication:** Open and transparent
 - Clear and respectful, Never enough, Timely, Two way
- **Action:** We value actual implementation and taking action.
 - 100% implementation, Taking responsibility
- **Performance:** Delivering numbers, Achieving plans, Reward and recognition

Our Aim

- Good service opportunity throughout
- Developing a service culture
- Considerable growth along all service lines
- On a journey from good to great
- Need to become a regional family

Our Corporate Social Responsibility

Health:

Eye Care Programmes

Car & General runs an eye care programme with Lions Club International. This is intended to reach needy people with eyesight problems. We recognise that eyesight is the biggest gift to humanity and thus we intervene by offering free eye diagnosis, and treatment for those affected by offering medicines, glasses and corrective surgeries.

Blood donation

In partnership with the Kenya Blood Transfusion Services, our members of staff donate blood to help boost the country's blood bank which in turn will help reduce loss of lives due to lack of blood during emergencies.

Staff fitness

We recognize that healthy employees are good for business, C&G is continuously investing in staff wellness programmes geared towards cultivating a healthy lifestyle. Together with internal medical camps, we have opened a gym within the premises that is supervised by a qualified trainer.

Education:

Collaboration with technical education institutions

We have signed several MOUs with universities and technical training institutions to offer training sessions to students and lecturers at our facility. We also encourage student visits, support attachment programmes and donate equipment to facilitate training in these institutions.



Supporting the Disadvantage:

School Adoption

As we strive to improve communities we live in, Cummins C&G has have adopted the Treeside School for the Deaf, giving them a chance to nurture their talents and get get a fair chance of life, by donating necessities to the pupils.

Road Safety:

Training

To help fight against road accidents in Kenya, we have rolled out an extensive road safety campaign program which targets motorcycle and three wheeler drivers, mechanics and users in Kenya.

Mechanics training programmes

We have developed a programme of training juakali mechanics in order to keep them up to speed technically so that they can maintain our products, and earn a living. At C&G, we believe that our business impacts on lives on so many people.

Environment:

Water pans

C&G, Cummins Inc (through the Cummins Foundation) and the Lions Club of Mombasa constructed two dams at over Kshs 3m to aid residents to harvest rain water for farming in order to reduce the perennial problem of starvation. The dams have a capacity of holding 5m liters of water each.



Tree planting

To help rehabilitate degraded forest land in Kenya, Cummins C&G has partnered with the East African Wild Life Society, Kijabe Environment Volunteers and Kenya Forest Service to plant trees across the country.

Our Ethical Principles

We will follow the law everywhere. Even when we are working in complex legal environment, we understand that the ramifications of ignoring the law can be catastrophic not just for the company but for individuals, too. Loss of employment, fines and even imprisonment can all be the result of breaking the law, no matter what intent. We must always follow the law even if it means losing business. For more info, contact the Legal or Compliance office.

We will embrace diverse perspectives and backgrounds, and treat all people with dignity and respect. At C&G, we strive to be inclusive and the diversity of our employees and other stakeholders makes us stronger. We value unique talents and diverse ideas and forbid discrimination, harassment and retaliation and strive to provide equal and fair opportunity for all irrespective of race, color, origin, disability, sexual affiliation, age or other status protected by applicable law. Our treatment of each other strictly prohibits all forms of discrimination and harassment, including sexual harassment. For more info, contact the Human Resources office.

We will compete fairly and honestly. Our goal is to win business and provide value to our stakeholders. We compete aggressively but within the rules. We get business because of the quality of our products, services and people. We do not use confidential information of others to gain improper advantage, we do not compromise our integrity and we do not bribe any one for any reason.

We will avoid conflicts of interest. As employees we must focus on what is best for our stakeholders and manage potential conflicts so that our personal and family interests do not interfere with our business dealings. We must avoid improper relationships with suppliers and other third parties - do not accept favors, gifts or other gratuities from suppliers or consumers in exchange for their favourable treatment.

We will demand that everything we do leads to a cleaner, healthier environment. As our regional reach grows, so does our responsibility to ensure our actions reflect a commitment to the environment and to the safety and well-being of our employees. This is by ensuring clean and safe workplaces, following the laws and regulations regarding safety, ensuring safe, safe and efficient products and operations

We will protect our technology, our information and intellectual property. Our technology and knowledge gives C&G a competitive advantage. All employees are responsible for safeguarding the company's confidential information. We should not attempt to access information beyond the scope of our work. Confidential information should not be stored in non-C&G locations, and our computers must only be used for company business. We must also ensure that company documents are

properly maintained or disposed under our document management policy.

We will demand that our financial records are accurate and that our reporting processes are clear and understandable. C&G is committed to transparency in its financial reports. We co-operate fully with the auditors and under no circumstances withhold information from them. We maintain a robust system of financial controls and processes to ensure accuracy and timeliness of our financial reporting, this is critical to our credibility. We will not tolerate fraud or false or misleading entries or statements in our financial reports or in any other books or records of the company. Common fraud schemes include: personal use of company credit cards, incorrect expense claims, time reporting abuse, purchase order abuse among others.

We will strive to improve our communities. At C&G we are committed to corporate social responsibility - serving and improving the communities in which we live. This does not only mean making ethical business decisions, but affirmatively reaching out to our communities and engaging our workforce to solve community problems, At C&G we look at three areas - Health, Education and Environment.

We will communicate honestly and with integrity. C&G has a responsibility to be honest and accurate in our communications to employees and the public. No employee should knowingly make a false or misleading statement to the media, government officials or public agencies in a public forum. At C&G, we produce timely flow of information throughout the organization and create consistent messages through appropriate individuals. Only authorised individuals should speak to the media, or any other agency on behalf of the company on social media. All media ns sensitive customer should be directed to the leader of Corporate Communications

We will create a culture where all employees take responsibility for ethical behaviour. Employees are encouraged to speak up if they have any concerns. C&G has a non-retaliation policy that protects employees who raise concerns in good faith. If you are aware of any conduct that is unethical or inappropriate, you have an obligation to speak up - bring the issue to your supervisor, speak to the Human Resources, or report concerns either online or by telephone

All employees must live these ethical principles and C&G values. They are intended to guide our employees relationship with each other, as well as customers, suppliers, partners and other stakeholders including the public. We must remember that violations come with consequences - including termination of employment.

Important HR Information

Equal Employment Opportunity Statement

It is the policy of Car & General to maintain a work environment that provides equal employment opportunity to all. All personnel decisions will be made without regard to race, religion, sex, national origin, ancestry, marital status or presence of disability in an otherwise qualified person, except where bonafide occupational qualifications exist. Furthermore, C&G will make an effort to reasonably accommodate physical or mental limitations of its otherwise qualified employees, to assist in performance of the essential functions of the job.

Hours of Work

Your regular hours of work are 8:00 am to 5:00 pm (with a lunch break between 1:00pm and 2:00 pm) Monday to Friday and 8:00 to 1:00 on Saturdays. These hours are subject to change depending on your position and nature of work. Every employee is asked to keep in mind that good time management is a matter of integrity.

Personnel Records

Employee records will be maintained at C&G and safeguarded for protection and privacy. Any of the following changes in your status should be reported to the Human Resource office immediately - name, postal address, telephone number, marital status, name and birthday of your dependants, emergency contacts, education, physical or any other limitations.

Compensation

Your salary will be advised in your contract and will be credited to your account designated by yourself, by the last working day. All employees are required to have a bank account and provide full details for salary payments. You will be provided with a payslip giving full details of your salary. Any questions concerning salary should be reported to the Human Resources office immediately for clarification. All statutory deductions e.g. Income tax, NHIF and NSSF will be deducted from your salary. Any other deductions will be made from your salary with your authorization e.g. co-operative contributions and pension scheme contributions. Salary adjustments, if any, are made within the first quarter of the year and will be based on the staff appraisal process.

Complaints

Misunderstandings can occur in any organization. Discussions with your supervisor are the best ways for you to point out the conditions that adversely affect you. This allows your supervisor to seek ways to eliminate any problem. Every effort will be made to settle them in a manner that is fair to all concerned.

Leaves and Absences

Annual leave - All permanent employees who have completed one year of continuous service are entitled to 25 days annual leave for management staff, for unionisable ones as per CBA and contract staff 21 days.

All anniversaries for all employees has been set at October 1st of every year. Annual leave must be requested and approved in advance. Unused leave may not be accumulated and will be forfeited. Leave travel allowance is given as per the different categories of employees;- management, union and contract staff.

Maternity leave - as per the law, 90 days for female employees and 14 days for male employees.

Compassionate leave - awarded to employees irrespective of length of service, permitting time off due to illness or death in their family. The number of days given will be at the discretion of the Management and will be deducted from the annual leave.

Sick leave - C&G will allow paid sick leave for its regular, full time employees. Any absences due to illness must be notified to the immediate supervisor immediately. A medical certificate authorizing the absence by a recognized medical practitioner must be submitted to the supervisor upon return to work.

Unpaid leave - absence from work without pay may be granted for an acceptable reason and approval from Management obtained.

Unauthorized absence - In any single instance when you are absent from work without authority, you may lose your normal pay. In addition, disciplinary action may be taken against you. You need to know that if you are absent from work without permission and without reasonable excuse, you may be considered to have abandoned your job with C&G and thereby subject to dismissal.

National holidays - C&G observes all national holidays with no loss of pay. The CEO may authorize the observance of additional non-recurring holidays to conform to government decrees or local practice or deemed as company holidays.

Staff Benefits -

Regular full time employees are eligible to join C&G Employment Benefit Plans after successfully completing the probationary period.

Pension - The contribution to the pension scheme is 5% for unionisable staff and 7.5% for management staff of monthly basic salary, payable by both employee and employer. Rules and regulations governing the scheme are available from the Trustees or the Human Resources office.

Medical -The company has a medical insurance scheme with First Assurance which covers staff, spouse, and four nominated children. This covers inpatient, outpatient, maternity, dental and optical.

Group Personal Accident - C&G has take a 24-hour Group Personal Accident Insurance to cover all employees in the event of accidental injury or death.

Retirement Policy

Retirement age at C&G is 60 years. Employees may opt to retire early as from the age of 50 years. There is a three month notice period to be served by either party upon retirement.



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