



Power for better living

ENVIRONMENTAL AND SUSTAINABILITY POLICY

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Scope

Car & General PLC (Cargen) is cognisant of the climate action agenda and we strive to create a sustainable society by actively conducting our business activities in such a way that our social, environmental and economic (also referred to as people, planet, profit of the triple bottom line) targets are harmonized. In order to achieve this, sustainability considerations are woven into series of interdependent guidelines and procedures that are jointly implemented to achieve the goals of the sustainability policy. Our commitment is driven by not only the desire to comply with applicable laws and guidelines, but also the need to maximise the effective use of resources so that we may optimally meet the needs of our current and future stakeholders. We are therefore dedicated to continuously improving the integration of sustainability in our work environment and our business processes. Our objective is to play a proactive role in contributing to achieving sustainability where we have influence. We are committed to be responsive, accountable and transparent in our sustainability performance.

Purpose

This Environmental and Sustainability Policy aims to integrate the philosophy of sustainable development into all the Car & General's activities in order to establish and promote sound sustainable practices in our operations. It provides an operational framework for the implementation of Car & General PLC's pledge to create a sustainable society by protecting and improving the social, environmental and economic impacts of the company through practices such as lowering of our carbon footprint, reduction of social inequality, and promotion of sustainable development goals.

Policy

Car & General is committed to make our customers and stakeholders smile by improving lives in a sustainable manner, through continuous improvement in social, environmental and economic performance in our operations, and promoting sustainable development goals in the society. We will actively manage and report our triple bottom line performance in a transparent and demystified manner following the guidance provided by the Registrar of Companies, Capital Markets Authority (CMA), Nairobi Securities Exchange (NSE) and, Global Standards and Frameworks.

At Car & General we consider caring for the environment and promoting a broader sustainability agenda

as integral part of our core business operations. Our objective is to follow and promote good sustainability practices, essentially reducing the impact our operations might have on the environment and the society. This is in line with our purpose of making our customers smile by powering better quality of life not only to the customers but also all our stakeholders. Our specific objectives are to:

- i. Reduce our carbon footprint;
- ii. Reduce our soil, water and air pollution;
- iii. Reduce water, energy and fuel consumption;
- iv. Reuse and recycle waste;
- v. Implement use of alternative energy sources;
- vi. Ensure job security and safety of our employees;
- vii. Ensure that our products/services, processes and operations are safe for the environment; and,
- viii. Meet all the requirements of laws and regulations.

To achieve these objectives we commit to:

1. Comply with all relevant laws and regulations. Adhere to UN principles (such as UNGC guidelines), CMA laws, regulations and guidelines (The CMA Code of Good Corporate Governance), NSE (ESG reporting guidelines), Companies Act and other global standards;
2. Align our systems and procedures to prevent environmental pollution and optimise use of resource. Incorporate social, environmental and economic sustainability into our key business decisions. Include social and environmental management accounting in our processes. Implement suitable and recognized standards for sustainability management and reporting. Develop and apply systems of sustainability management as part of our day-to-day operational practice and control procedures;
3. Inspire and empower our employees, suppliers and all other stakeholders to support our sustainability commitments as integral part of their jobs and daily lives, as well as meet the expectations of our stakeholders. Working with suppliers who promote sound environmental practices. Reduce our carbon footprint. Reduce our soil, water and air pollution. Reduce water, energy and fuel consumption. Regularly engage the different stakeholders to identify and attain what they expect of us;
4. Annually set, implement and review sustainability targets. Continuously assess and review our sustainability performance. Deepen and expand CSR initiatives with various partners. Conserve natural resources by reusing and recycling. Implement use of alternative energy sources. Develop and implement individual CSR guidelines and targets with the various partners;

5. Build and maintain positive relationships with stakeholders through open and fair communication. Disclose to stakeholders information material to them, in a timely, transparent and fair manner;
6. Continuously improve health and safety in the workplace with a vision of zero accidents at work;
7. Support, adopt and fund sustainable development goals (SDGs). Identify at least five (5) of the seventeen (17) to support on annual basis; and,
8. Investigate all complaints that have or could have an adverse environmental, social or economic. Respond to developing issues and public concerns with regards to the environment and society.

In order for Car & General to realise these commitments, sustainability performance is driven by the Chief Executive Officer and Company's Senior Management Team, through our agreed Shared Values:

- **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 sustainability-related individual policies

- Investor Relations Policy
- Stakeholder Engagement Policy
- Related Parties Policy
- Code of Conduct
- Sexual Harassment Policy
- Warehouses Policy
- Corporate Social Responsibility Policy
- Customer Service Policy
- Emergency Evacuation Procedure