



If you like it...Crown it!

# Crown Paints Sustainability Report 2022

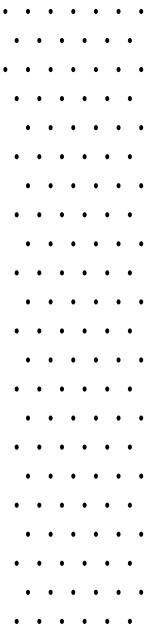




# Sustainability Report

We hope this report provides a clear and meaningful understanding of what sustainable business means to Crown Paints, how it unites us and informs our approach to transforming lives.

We welcome all constructive feedback, which can be shared via email to: [info@crownpaints.co.ke](mailto:info@crownpaints.co.ke)











# ABOUT OUR REPORT

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**We invite you to step into a world of brilliant colours and amazing transformations with Crown Paints Kenya PLC (Crown Paints) enthralling sustainability report.**

Our report is more than simply a document; it demonstrates our unshakable commitment to sustainability and our never-ending search for a brighter future. It serves as our compass and a renewed commitment to positioning ourselves as a sustainability leader, driving a more sustainable business over time.



We aim to continue producing value and impact for our stakeholders in a measurable and open manner, colouring a greener future with every brushstroke.

This report strives to clearly communicate Crown Paints sustainability strategies, goals, and accomplishments in order to promote accountability and confidence. It allows all our stakeholders to evaluate the company's efforts to reduce environmental consequences, promote social responsibility, and support the local economy by providing quantifiable data and important performance indicators.

The scope of the reporting boundary encompasses the operations and activities of Crown Paints and its group entities: Crown Paints Allied Industries Ltd, Regal Paints Uganda Ltd, Crown Paints Rwanda Ltd and Crown Paints Tanzania Limited.

These group entities operate under the umbrella of our company, sharing our values and dedication to promoting sustainable practices in the paint industry. By incorporating their operations into our reporting boundary, we ensure comprehensive transparency as well as accountability in our

sustainability efforts across all relevant entities within our corporate structure.

When preparing this report, we referenced the Global Reporting Initiative Universal Standards & the Nairobi Security Exchange guidance framework for sustainability reporting. This report complements information published in our 2022 Annual Report and CSR report published in 2022. Sustainable Business Consulting Limited provides reasonable and limited assurance on identified sustainability indicators in this report, ensuring compliance with agreed standards.



We are committed to transparency in ESG reporting, and we are working to continually improve our reporting as industry best practices evolve. With our commitment to sustainability, Crown Paints hopes to set an example and lead the charge in revolutionising the Kenyan paint sector.

We are inspiring our peers to embrace greener practices and a more socially conscious future by believing in the power of collective action.

All reporting and performance data are limited to information for the owned and operated facilities of Crown Paints Kenya PLC and its group entities unless stated otherwise. Additional information about Crown Paints can be found on our website.

For more information on the sustainability and ESG initiatives at Crown Paints Kenya PLC, please contact: [info@crownpaint.co.ke](mailto:info@crownpaint.co.ke)





## Responsibility For Our Reporting



**At Crown Paints, we recognize the vital role of transparency and accountability in our sustainability journey. We firmly believe that sustainability is an integral part of our business strategy, and we are committed to upholding the highest standards of responsibility in our reporting.**

The Board is responsible for ensuring that sustainability is at the heart of our overall business strategy. We are dedicated to making informed decisions that consider the economic, environmental, and social aspects of our operations. It is our responsibility to guide the company towards a more sustainable future.

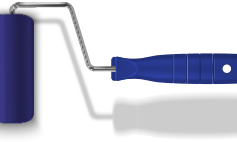
We acknowledge that our sustainability reporting is a reflection of our commitment to transparency. We hold ourselves

accountable for the accuracy and integrity of the information we present in our reports. Our stakeholders trust us to provide a fair and unbiased account of our sustainability efforts. We understand the importance of impartiality in our reporting. Our commitment to impartiality ensures that we assess and present our sustainability progress objectively. We do not compromise on the quality of our reporting by allowing conflicts of interest or bias to influence the information shared. We are proud of our commitment to sustainability and the responsibility we uphold in reporting our progress.

At Crown Paints, we view sustainability reporting as a critical tool for driving positive change and fostering trust among our stakeholders. On behalf of the Board, we affirm our dedication to reporting sustainability achievements with the utmost accuracy, impartiality, and responsibility, ensuring that our efforts contribute to a better, more sustainable world.



# Sustainability Snapshot



Our sustainability approach is centred around active participation and cooperation with our stakeholders, who play a crucial role in shaping our initiatives. By aligning our sustainability activities with the material issues, expectations and demands of our stakeholders, we ensure that our initiatives are purposeful and impactful.

Our sustainability snapshot acts as a compass, allowing us to stay ahead of emerging difficulties and seize opportunities in the ever-evolving sustainability landscape. We firmly believe that we have a responsibility to contribute positively to society and the environment. That's why we have anchored our sustainability initiatives into five key elements, addressing material topics that are of utmost importance:



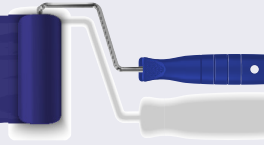
The Sustainable Development Goals (SDGs) serve as a comprehensive and globally recognized framework that guides our journey to achieving its sustainability goals. By linking Crown Paints' sustainability goals with particular SDGs, we not only contribute to a more sustainable and equitable future, but we also benefit from a structured approach that promotes responsible business practices and a positive impact on our planet and communities. The SDGs not only inspire us, but also serve as a guidepost to ensure that our efforts are aligned with the larger global goal for a better, more sustainable future.

## Our Priority SDGs



“By aligning our sustainability activities with the material issues, expectations and demands of our stakeholders, we ensure that our initiatives are purposeful and impactful.”

# Sustainability Snapshot



## Environmental Stewardship

At Crown Paints, the colours we create go beyond beautifying your world.

We're on a mission to transform the paint industry by championing environmental sustainability. As a responsible corporate citizen, we have pledged our commitment to pollution prevention, effective waste management, and resource conservation.

However, we do not stop there. We have gone above and beyond mere lip service by crafting an array of innovative projects and practices that embody our commitment to environmental protection. Through these initiatives, we strive to continuously improve our practices and inspire positive change within our industry and beyond.

### GOALS:

1. Reduce energy intensity by 8% by 2030 against a 2022 baseline, with a yearly reduction target of 2%
2. Reduce water intensity by 15% by 2030 against a 2022 baseline, with a yearly reduction target of 2%.
3. 20% fleet of vehicles switched to lower-emission options by 2030
4. Reduction of factory waste by 40% (kg/tonne) by 2030.
5. Reduce GHG emissions intensity (Scope 1 and 2) by 15% by 2030 with a yearly reduction target of 5%.
6. Achieve decarbonization of our supply chain by 20% of carbon emission reduction per litre of production by 2030.

## People and Culture

We believe that the key to achieving sustainable business success lies in prioritising our most valuable asset: our people.

That's why we've taken significant steps to create a positive and supportive work environment that unleashes the full potential of every individual. In our vibrant workplace, we go above and beyond to ensure the well-being, development, and engagement of our employees.

We understand that a thriving work culture directly impacts productivity and innovation, which is why we've implemented initiatives that exemplify our unwavering commitment to fostering a diverse and inclusive workforce.

### GOALS:

1. Increase women's participation in management at all levels from a 2022 baseline of 23% to 40% by 2030.
2. Increase average employee training hours by 20% by 2030 against a 2022 baseline, with a yearly improvement target of 5%.
3. Achieve zero cases of recordable work-related injuries.
4. Improve employee-job fit by 15% using HR analytics and predictive modelling by 2030.
5. Increase survey response rates by 30% to address concerns effectively by 2030.



## Product Innovation & Process Optimization

By harnessing the power of innovation and optimization, Crown Paints is revolutionising the paint industry.

We're not just satisfied with creating beautiful colours; we're on a mission to create a positive impact on the planet. Our dedicated team continuously explores new technologies, materials, and formulations to create paints that are not only high-performance but also eco-friendly. We're determined to make a real difference.

By leveraging cutting-edge research and development, Crown Paints has successfully produced a range of paints that significantly reduce harmful emissions, carbon footprint, and resource consumption. The company is equally committed to process optimization, recognizing that sustainable manufacturing is key to achieving long-term environmental goals.

By demonstrating our commitment to sustainability through innovation and optimization, Crown Paints also strengthens its brand reputation, enhances customer loyalty, and gains a competitive edge in the market.

### GOALS:

1. Increase Eco-Friendly Product Portfolio.
2. Implement Circular Economy Practices in our supply chain by 2030.
3. Identify and compile Chemicals of Concern and develop a phase out plan.
4. Continuously align to certification and standards.
5. Conduct supplier surveys.
6. Life Cycle Analysis (Raw Material Sourcing, Manufacturing Process Optimization, Packaging and Distribution).



## Empowered Communities

Our priority under the "Empowered Communities" pillar is to promote inclusive and equitable growth.

Crown Paints aims to empower communities by working with them to identify needs and co-create solutions. We try to ensure that our business activities have a beneficial influence on the communities in which we operate by participating in honest and respectful discussions. Supporting education and skill development programmes, increasing access to healthcare, and generating possibilities for decent jobs and economic growth are some of our objectives.

### GOALS:

1. Increase community engagement by 50% by 2030.
2. Create opportunities for decent work and economic growth by 20% by 2030 against the baseline in 2022.
3. By 2030, our ambition is to help 10 young people in our target location to have access to education opportunities against a baseline of 4 in 2022.





## Responsible Governance

Imagine a world where transparency and ethical business practices aren't simply buzzwords, but the core foundation of how we do business.

We think that true success stems not only from the creation of beautiful paint products, but also from the development of trust and credibility with our valued stakeholders.

To develop trust and credibility among our stakeholders, we believe in preserving the highest standards of corporate governance. We do frequent analyses and evaluations to identify opportunities for development in our governance practices, and we actively involve our stakeholders in decision-making processes. Furthermore, we follow applicable rules and regulations and take steps to prevent corruption and encourage fair competition.

### GOALS:

1. Develop & implement additional company-wide environmentally friendly targets by 20% by 2030 from 4 in 2022 with a yearly improvement target of 5%.
2. Conduct a higher number of comprehensive environmental audits by 10 % from 15 audits in 2022 by 2030.
3. Increase investments by 25% towards innovating water-saving techniques to further reduce overall water footprint by 2030.
4. Maintain the highest standards of ethical business conduct.
5. Actively involve our stakeholders in decision-making processes.

LIVING LIFE  
IN COLOUR



## TO OUR STAKEHOLDERS

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In a world where the importance of environmental stewardship, social responsibility, and ethical governance has never been more pronounced, our Sustainability Report offers a transparent glimpse into the efforts, progress, and challenges we've encountered on our journey towards sustainable excellence.

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Crown Paints Kenya PLC, established over 60 years ago has grown tenfold registering an annual turnover growth of over Ksh 11 billion with a production capacity of 3 million litres of paint per month. The firm has employed over 1,000 staff members in various departments all aligned with company policies on environmental sustainability and safety. It is listed on the Nairobi Securities Exchange and has regional operations in Uganda, Tanzania and Rwanda. At Crown Paints, we firmly believe that thriving goes hand in hand with safeguarding the environment, supporting our communities, and fostering a culture of innovation.

We stand out as East Africa's foremost innovator in the paint industry, specialising in customised solutions for both the construction and retail sectors. We're dedicated to delivering pioneering products, services, and top-tier post-purchase support. In our pursuit of business excellence, we are acutely aware of the vital role played by sustainability. Over the years, we've made significant strides in operating with a more eco-conscious approach. This includes steps to curtail energy consumption, reduce carbon and VOC emissions, minimise waste generation, and limit water usage. Simultaneously, we've ramped up our utilisation of renewable energy sources, sustainable raw materials, and water recycling practices. Our commitment to environmental conservation, pollution prevention, efficient waste management, resource conservation, and the overall mitigation of our environmental

footprint is a deeply held responsibility that underpins our business practices. We view environmental protection as both a fundamental principle and a cornerstone of our business success.

While delivering quality and affordable products and services, we wholeheartedly embrace the principle of responsible stewardship of our natural surroundings. Our engagement with the communities we serve is profound. Each year, we allocate substantial resources to initiatives that impact people's lives, with a strong focus on environmental and educational programs. We extend a helping hand to vulnerable groups by providing essential food items and hygiene supplies. We also take pride in beautifying and upgrading institutions like schools, police stations, children's homes, and hospitals throughout the country. In the last five years alone, our contributions have exceeded Ksh 100 million, transforming countless lives. This commitment aligns seamlessly with our mission of enriching communities, fostering sustainability, and elevating lifestyles. Furthermore, we champion "Team Kubwa," an initiative empowering women and young people with valuable technical and entrepreneurial skills in painting. This showcases our dedication to sustainability and community empowerment.

**Mhamud Charania**  
Chairman



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## CROWN PAINTS AT A GLANCE

**FOUNDED:**

**1958.**



**ANNUAL TURNOVER:**

**KSH. 11.4 BILLION**



**PRODUCTION CAPACITY:**

**3 MILLION**

litres of paint each month.



**WORKFORCE:**

**1,200+**

Employees.



**TOTAL ASSETS:**

**KSH. 9.2 BILLION**



**CORPORATION TAX  
EXPENSE:**

**KSH. 275 MILLION**



**TECHNOLOGY:**

**6,000 COLOURS**

In minutes. (largest fleet of  
computerised equipment)



**OPERATIONAL PRESENCE:**

**4 COUNTRIES**

Kenya, Uganda,  
Tanzania, and Rwanda



# ABOUT CROWN PAINTS

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**Crown Paints, hailed as the premier paint manufacturer in East Africa, is renowned for its distinct approach, specialising in tailoring solutions for the construction and retail sectors.**



What sets us apart is our diverse range of inventive products and services, coupled with unwavering after-sales support. Our collaborations with international entities have broadened our portfolio, allowing us to present the most comprehensive array of products in the region.

Distinguishing ourselves from the competition, Crown Paints boasts an extensive network of dealers throughout Kenya, spanning semi-urban and rural locales, comprising depots and strategically positioned 'Crown Décor World' outlets. We take pride in possessing the largest fleet of computerised tinting equipment in the market, capable of dispensing over 6,000 colors in mere minutes. This cutting-edge technology affords our clients an unparalleled selection of colours and unmatched convenience.

We also assist customers with project planning and interior design concepts. Our award-winning services, delivered by skilled, well-trained, and customer-centric employees, further elevate the customer experience.

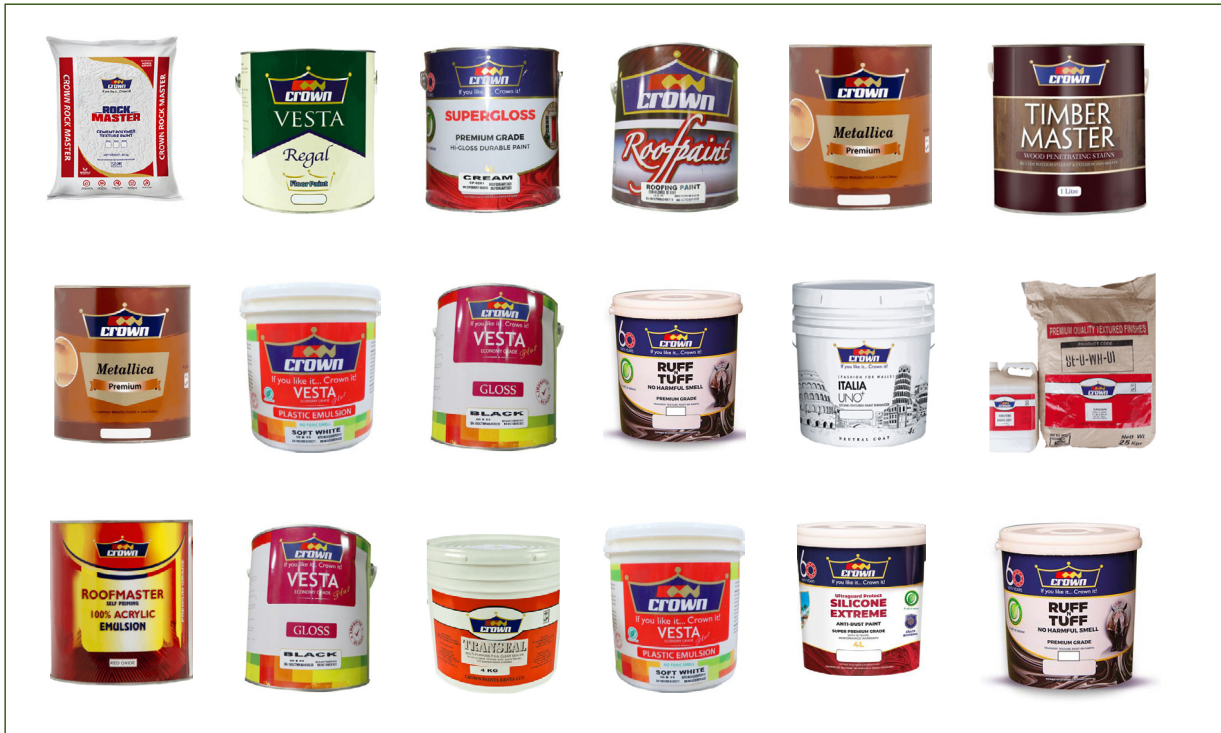
Crown Paints is a reliable paint supplier that consistently goes the extra mile. Throughout our 60-year history, Crown Paints has remained steadfast in being a dependable partner every step of the way. We are now the preferred choice for a diverse clientele, including homeowners, painters, architects, and professionals. This preference stems from our steadfast commitment to delivering exceptional, top-quality, and innovative products and services. Customers can place their trust in Crown Paints to continually offer cutting-edge solutions that cater to their evolving needs.

# Products & Services



## Decorative Paints

This collection includes products that can be used for decoration and protection in all residential homes, factories, offices, and public structures. Over 11,000+ hue tones are now accessible in different popular interior and exterior finishes using a computerised colour system.



## Automotive Paints

Paints for all modes of land and air transportation are also known as Automobile Products. The specification and performance are far superior to that of ornamental paints. Metallic paint systems, 2K acrylic systems (solid colours), and fast dry nitro cellulose systems are examples of these.



## Industrial Paints

These product lines are used to protect and adorn other things intended for resale. Coating systems for substrates in extreme temperatures and harsh conditions, as well as chemically treated factory plants and machinery, are examples of products.



## Intermediate Paints

These are products which are essential to decorate and protect paint systems, though not visible after the final coating is applied. The general classifications of intermediate products are Primers, Undercoats, Fillers, and skimming products such as the newly launched Crown Wallcare.



## Adhesives

This category has a wide variety of adhesives that can be used to attach tiles, leather, wood, cloth, paper, and other materials. These high-quality adhesives have a rapid drying time, great bonding, and are weather resistant, ensuring that they not only last but also boost production speed.



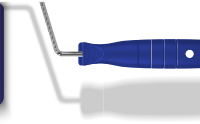
## Road Marking Paints

Traditionally, these items were produced with an Alkyd or Chlorinated Rubber Base. They are used to identify and protect all roadways, parking lots, and other areas. Thermoplastic items are environmentally friendly and have quick drying times.





# Purpose Strategy



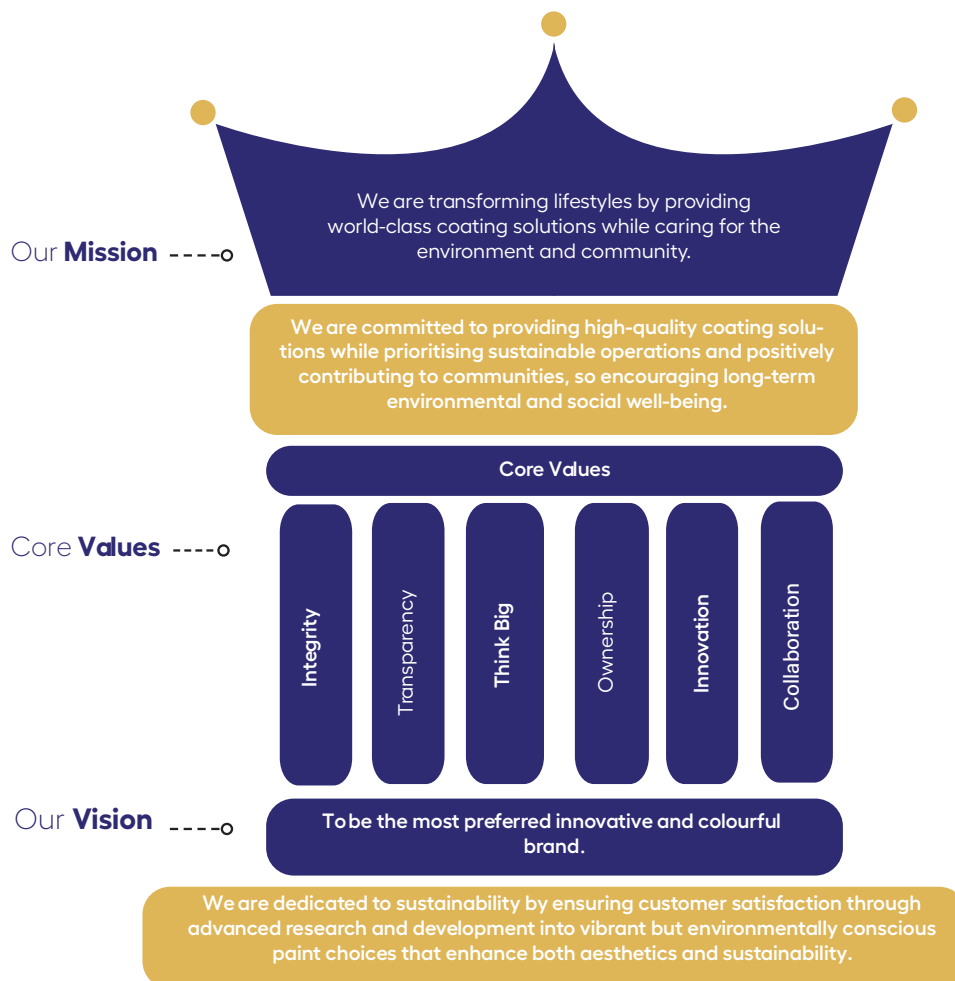
**Crown Paints is extremely proud of its illustrious history. We have over 65 years of experience, expertise, and talent that goes into every tin of paint we make.**

As we stride forward, we are driven by a vision to become Kenya's premier paint company, placing sustainability at the forefront to ensure our enduring success benefits our cherished customers, dedicated employees, esteemed shareholders, supportive neighbours, and invaluable suppliers.

Crown Paints sees a future in which paint products combine quality & environmental responsibility, with emphasis on sustainability across the whole life cycle. Through research and development, we produce new,

ecologically sensitive paint compositions while optimising resource utilisation and minimising waste formation. By fostering a secure, inclusive, and diverse workplace, interacting with local communities, and funding educational programmes, we emphasise social impact.

We embrace an ethical commitment, encouraging justice, openness, and trust in our supplier relationships. We keep ourselves responsible with honesty, earning stakeholders' trust and confidence.



# ACHIEVEMENTS ROADMAP



Triple ISO certification

- ISO 14001:2015 Environmental Management system
- ISO 45001:2018 Occupational Health & Safety Management system
- ISO 9001:2015 Quality management system



**2020**

Introduction of a Team Kubwa SACCO that aims to financially empower painters.



Winner Innovation and Productivity category Employer of the Year Awards (EYA) by Federation of Kenya Employers (FKE).



**2016**

Launched the first Zero VOC range of products.



Won COYA/SMOYA AWARDS 2016 – Leadership & Management; Customer Orientation and Marketing Innovation, ICT and Knowledge Management.



**2014**

Launch of innovative product based on silicone technology providing durable solution for exterior walls.



Certified for OHSAS 18001:2007.

# ACHIEVEMENTS ROADMAP



2013

Partnership with Armourcoat Ltd. UK for Ecofriendly, low VOC, fire-resistant, designer, and specialised finishes.



2012

Use of Teflon in products.



2012

Company name changed from Crown Berger Kenya Limited to Crown Paints Kenya Ltd.



2009

Introduce the KAIZEN process standardisation followed by world best companies like Toyota, GM, GE, etc.



2006

Certifications for ISO 9001 (2008, 2006)



1998

Acquisition by Charania Group.



1994

1st Paint company to be listed in Nairobi Stock Exchange



1948

Establishment year, the name was Jenson & Nicholson (East Africa) Limited.



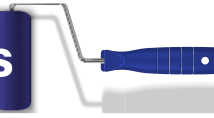


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# GOVERNANCE

## Statement from Crown Paints



**Crown Paints prides itself on its rich heritage of over 60 years because of the communities it serves.**

The firm has over the years innovated various ways of ensuring growth and sustainability through strategic partnerships with like-minded partners to explore business opportunities that positively impact communities. Education and Environment are some of the key pillars that play a significant role in empowering any community and over the years, Crown Paints has been keen on identifying the educational needs of communities they work with to offer support as an empowered community is more sustainable.

Over the years, Crown Paints has taken pride in initiatives that go a long way in transforming people's lives. Environmental conversation is another guiding principle and a key component of sound business performance. Sustainability cannot be achieved without operating in an environment that is well-conserved.

During the 2020/21 period, we experienced the devastating effects of the Covid-19 pandemic where most businesses ground to a halt and only those driven and anchored on sustainability were able to navigate. As Crown Paints, we continued our innovation journey by introducing a world-class home painting service "Crown Your Space" (CYS) to provide customers with a hassle free painting solution at home while working. Such initiatives described our passion for transforming and enhancing business sustainability.

As an organisation, we engage local communities in transformative projects that offer them hope and inspiration. We're known for quality products and services that are more durable, pocket friendly and safe for the environment. Our social corporate



programs are driven by the desire to improve people's operating environment in a more sustainable manner while enhancing beauty.

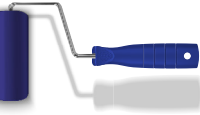
As market leaders, we underscore the importance of remaining commercially viable while caring for the environment. As a result we've developed a strategic plan to ensure zero wastage by 2031 through the reuse of waste and water at water-intensive sites to enhance business sustainability. We've also laid down plans to reduce waste generation in manufacturing processes as part of our environmental management process.

We remain committed to ensuring that the business is responsive to the needs of the communities in which it operates not only for business reasons but for the environmental and social purposes to achieve sustainable business and economic development while nurturing and promoting talent within the organisation.

**Dr. Rakesh Rao**  
Group Chief Executive Officer



## The Board



### Board of Directors

The foremost authority for decision-making at Crown Paints is the Annual General Meeting of Shareholders. Responsible for overseeing our administration is the Board of Directors (the Board). This fundamental governance framework comprises the Board itself, various Board Committees, and the Management team, all of whom collaborate to aid and bolster the Board in its duties. Crown Paints is fully aware of and appreciates the significance of fostering diversity within its Board to ensure our prosperity. The Board comprises a blend of both Executive and Non-Executive Directors, each possessing substantial expertise in their respective fields, including the specific competencies essential within the context of our diverse business operations.

### Responsibilities of The Board

The Crown Paints Board is in charge of establishing corporate guidelines and setting our strategic direction. It meets three times a year to evaluate a range of factors, including performance measures, financial results, compliance reports, regulatory changes, and transactions. The CEO is in charge of day-to-day operations and develops our strategy, while the Chairman of the Board provides leadership and guidance. The Board Charter, which has a total of seven members, directs these efforts. We include one non-executive Chairman and three independent non-executive directors. Re-election of the directors and their staggered retirement ensure continuity in our management in accordance with shareholder directives.



**LEFT TO RIGHT** Mhamud Charania - Chairman, Patrick Mwati - Finance Director, Alice Awuor - Non Executive Director, Rakesh Rao - Group Chief Executive Officer, Stephen Oundo - Non Executive Director, Hussein Ramji - Vice Chairman, and, Nicholas Kathiari - Non Executive Director



## Corporate Governance

Crown Paints Kenya PLC (Crown Paints) is dedicated to upholding the standards established by the Corporate Governance Code. This code outlines best practices across various critical areas, including board composition and development, remuneration, accountability and audit, and shareholder relations. By adhering to these standards, Crown Paints endeavours to foster a culture of sound governance, ensuring transparency and accountability in all its endeavours.

In addition to meeting the requirements outlined by the Capital Markets Authority Code of Corporate Governance Practices for Issuers of Securities to the Public in Kenya, Crown Paints has taken the initiative to formulate and uphold its own Code of Business Conduct. This internal code furnishes comprehensive guidelines and principles for ethical behaviour and responsible business conduct throughout the organisation. It sets forth the expectations for employees, directors, and officers, emphasising values such as integrity, honesty, fairness, and strict adherence to applicable laws and regulations. Crown Paints aspires to attain the loftiest standards in corporate governance, placing a strong emphasis on transparency. We firmly believe that transparency is a cornerstone in building trust with its stakeholders, including shareholders, employees, customers, and the wider community. The commitment is unwavering when it comes to providing lucid and accurate information pertaining to financial performance, operational activities, and decision-making processes. This empowers stakeholders to make informed choices and assess our performance accurately.

Within Crown Paints, there exists a commitment to establishing a sustainable culture where good governance practices are ingrained in daily operations. This



culture promotes integrity, accountability, and ethical behaviour, ensuring that all employees comprehend and abide by the tenets of corporate governance. Open channels of communication are actively encouraged, and the reporting of ethical concerns or violations is welcomed, with corresponding actions taken to address them.

As part of its unwavering dedication to corporate governance, Crown Paints strives to set industry leading benchmarks. We continually assess and benchmark its governance practices against both national and international standards, perpetually seeking avenues for enhancement and innovation. By establishing and maintaining such high standards, Crown Paints aims to exemplify leadership in the realm of corporate governance, with the hope of inspiring others in the industry to follow suit.

# OUR POLICIES

Crown Paints and all its group entities, branches, and business units adhere to these comprehensive policies, aligning with the organisation's overarching guidelines and procedures. These policies extend their reach to both internal and external stakeholders, including employees, subcontractors, customers, and service providers.



## Environmental Policy

Crown Paints is a responsible business that is dedicated to protecting the environment through actions such as resource efficiency, pollution prevention, effective waste management, environmental conservation, and pollution mitigation. We place a strong priority on providing top-notch goods and services while encouraging good environmental management.

Our devotion to environmental responsibility is demonstrated through various actions. We adhere rigorously to environmental regulations, maintaining a well structured Environmental Management System. We

actively employ eco-friendly strategies in our operations and take proactive steps to educate our employees, contractors, suppliers, and stakeholders on the importance of environmental protection.

We ensure that our environmental policy is not only documented but also diligently implemented, consistently maintained, and effectively communicated to all relevant parties. Our commitment to these principles underscores our ongoing effort to contribute positively to the well-being of our planet.



## Quality Policy

Crown Paints is firmly dedicated to advancing the principles of sustainability across all aspects of its operations. Our unyielding commitment to sustainability is deeply ingrained in our core values, reflecting our responsibility towards the environment, society, and the well-being of future generations.

At Crown Paints, we are resolute in our commitment to three key pillars: employee development, customer satisfaction, and sustainability. We prioritise professional recruitment and provide continuous training to empower our workforce while promoting sustainability. We are dedicated to understanding and meeting our customer's needs, ensuring consistent

and timely delivery of environmentally friendly products and services. Our internal standard is set at Zero Defect, and we continually enhance our Sustainability Management System in accordance with ISO 9001:2015. We employ a systematic approach to assess sustainability risks and opportunities, with the goal of securing long-term sustainability and enhancing shareholder value.

Furthermore, we pledge our unwavering commitment to safety, health, environmental protection, and all statutory sustainability requirements. Through these efforts, we actively promote environmental stewardship in all our work practices.



## Safety and Health Policy

Crown Paints is committed to creating a safe and healthy work environment for all employees by eliminating hazards and preventing harm. We place a high value on employee participation in safe working practices and are conscious of their duties to stakeholders such as customers, employees, contractors, suppliers, government agencies, and society. Our primary goals include adhering to environmental, health, and

safety regulations, maintaining employee safety, educating employees, continuously improving health and safety performance, and involving stakeholders in attaining goals. We recognise and reward excellent health and safety performance, conduct regular effectiveness and performance audits, and share Health and Safety policies to all employees and interested parties.



## Procurement Policy

Crown Paint's procurement strategy is strategically oriented towards enhancing our sustainability objectives while optimising value for money. Our approach centres on the cultivation of a sustainable supply chain that collaborates with prequalified vendors who align with our environmental values.

At Crown Paints, we actively promote sustainability throughout the procurement process. We encourage our vendors to offer environmentally friendly solutions and products by giving paramount importance to sustainability in our bidding processes.

The decision-making process, involving Purchase Managers and Finance Directors, incorporates sustainability criteria, ensuring that sustainability considerations play a pivotal role in our procurement choices.

Our commitment extends beyond the initial purchase. We diligently monitor competitive purchasing rates and assess sustainability performance to gauge our progress. This ongoing evaluation fosters a culture of continuous improvement within Crown Paints, driving us closer to our sustainability goals and aspirations.



## Whistleblower Policy

In an effort to promote accountability and openness in its dedication to sustainability, Crown Paints has established a stringent whistleblowing policy. Stakeholders can anonymously voice their grievances, and top management carefully considers complaints. The main goal of the whistleblowing policy is to create a climate where people may come forward and disclose wrongdoing, irregularities, or malpractices without fear of retaliation. When traditional reporting routes prove ineffective or inappropriate, all stakeholders, including employees, are urged to report incidents. Aim for first-hand information or experience of the alleged irregularity or misbehaviour while making such complaints. This policy's overarching goal is to offer a safe way to discuss ethical issues through structured communication. It calls for a formal whistleblowing policy,

prompt reporting of alleged irregularities, discrete escalation, uniform responses, educating the public about whistleblower rights, proper Board of Directors oversight, acting as a deterrent, safeguarding organisational assets, and encouraging openness, accountability, and integrity. The policy also shields workers from victimisation, harassment, or harsh punishment, but false accusations may result in disciplinary action.

Crown Paints remains steadfast in upholding the highest standards of ethics, honesty, transparency, and accountability. In line with this commitment and to fortify good governance, the organisation will maintain an accessible whistleblowing mechanism, periodically confirming its functionality to all stakeholders.





## Risk Policy

Crown Paints Kenya PLC is a company that prioritises value maximisation through strategic and operational objectives that strike an optimal balance between growth-return goals and risks. Our Risk Policy emphasises effective response to change, including agile decision-making, cohesive response, and adaptive capacity to pivot and reposition while maintaining trust among stakeholders. The policy connects risk management with stakeholder expectations, positions risk in the context of Crown Paints' performance, and enables entities to anticipate risk and anticipate opportunities.

We calibrate an appropriate risk response to every opportunity, understanding that the operating environment is fluid with fluctuating risk-reward trade-offs. Management holds overall responsibility for managing risk at the entity level and enhances conversation with the board and stakeholders about using our risk management practices to gain a competitive advantage. This process starts by deploying risk management capabilities as part of selecting and refining business strategy. Management has an understanding of how risk impacts the choice of strategy, adding perspective to strengths and weaknesses and aligning with our mission and vision. This process increases confidence in alternative strategies and staff input in strategy implementation, creating trust and instilling confidence in all stakeholders.

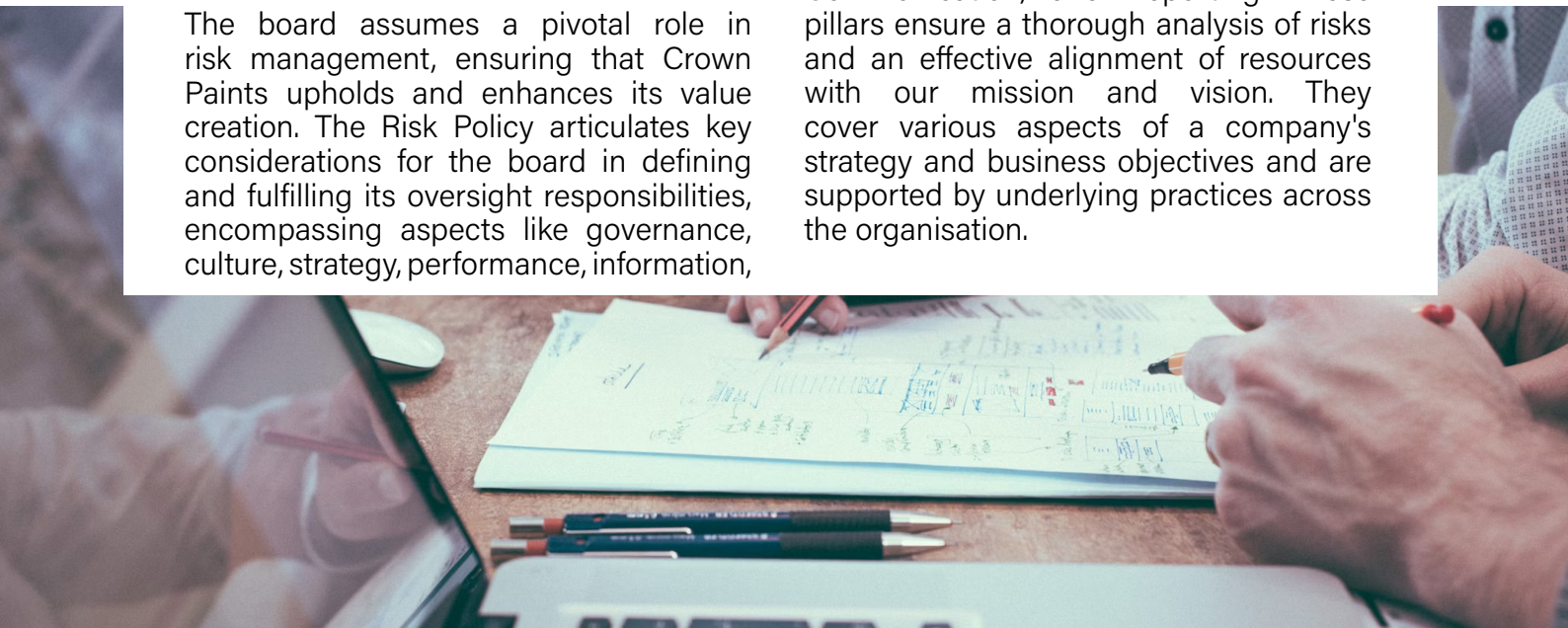
The board assumes a pivotal role in risk management, ensuring that Crown Paints upholds and enhances its value creation. The Risk Policy articulates key considerations for the board in defining and fulfilling its oversight responsibilities, encompassing aspects like governance, culture, strategy, performance, information,

communication, reporting, and the continual review and enhancement of practices to improve our performance.

This proactive approach reinforces Crown Paints' long-term resilience by identifying not only risks but also transformative changes that could impact performance and necessitate a shift in strategy. This proactive stance leads to a broader spectrum of opportunities, comprehensive risk identification and management across the organisation, and ultimately results in more favourable outcomes and advantages. It reduces the likelihood of negative surprises, minimises performance variability, optimises resource allocation, and fortifies the resilience of business units.

Risk is an integral factor in Crown Paints Strategy-setting processes, where the chosen strategy must align seamlessly with our mission, vision, and core values. A strategy that deviates from alignment increases the risk of not achieving the mission and vision or compromising our values. Thus, the Crown Paints Risk Policy is not just about risk management but also about understanding the consequences of misaligned strategies on objectives.

Crown Paints risk management framework is underpinned by five interconnected pillars: Governance and Culture, Strategy and Objective Setting, Performance, Reviews and Revisions, and Information, Communication, and Reporting. These pillars ensure a thorough analysis of risks and an effective alignment of resources with our mission and vision. They cover various aspects of a company's strategy and business objectives and are supported by underlying practices across the organisation.



## Audit & Risk Committee

The Committee consists entirely of the independent non-executive directors as confirmed by the Board upon appointment. The Committee meets the Statutory Auditors and the Chief Internal Auditor independently without the presence of any members of the management at least once a year. The Committee, within the scope of its assigned duties, is authorised to seek any information it requires from employees, company officers and external parties.

The members are deemed to be financially literate and have the requisite understanding, ability and experience to qualify as “audit committee financial experts” within the meaning set forth under the CMA code.

**It reports to the Board. Its functions include:**

1. Review of risk management and internal controls.
2. Review of financial reporting & disclosures.
3. Oversight of external auditor and internal audit.

### Risk Management

We detect and address environmental, social, and governance (ESG) issues that threaten its long-term existence. The management team is responsible for managing risk at the entity level, engaging with the board and stakeholders to leverage risk management practices for competitive advantage. The journey begins by incorporating risk

management capabilities into the selection and refinement of business strategies, providing a perspective on strengths and weaknesses that align with our mission and vision. This approach instils confidence in alternative strategies, encourages staff involvement in strategy execution, and fosters trust among stakeholders.

### Risk Assessment & Strategic Decision-Making

In the process of formulating strategies, we understand it is imperative to consider the role of risk and its potential impact on the established Crown Paints strategy. We engage in a critical evaluation by addressing essential questions:

- Have we accurately modelled customer demand?
- Can we rely on our supply chain to deliver punctually and within budget?
- What is the likelihood of emerging competitors, and is our technology infrastructure capable of meeting the challenge?

However, the risk associated with the chosen strategy is just one facet of the equation. There are two additional critical aspects:

- i. The possibility that the strategy may not align with the organisation’s objectives.
- ii. The consequences stemming from the selected strategy.

Both of these factors directly influence the enterprise’s overall value and therefore demand careful consideration. For addressing risk and preserving resilience during change, Crown Paints’ mission, vision, and core values are essential. Management and the board must make choices when creating a strategy that involves intrinsic trade-offs, each with its own set of risks and ramifications. Crown Paints Risk Policy places a strong emphasis on comprehending the implications of the strategy and effectively managing risks to meet predetermined goals.

The policy admits that the biggest risks to value come from a potential mismatch of the strategy with the company’s goal and vision. Therefore, the Crown Paints Risk Policy plays a pivotal role in strategy selection and operational management, ensuring a thorough analysis of risk and alignment of resources with the company’s mission and vision.





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# STAKEHOLDER ENGAGEMENT

Crown Paints understands the value of identifying and understanding its stakeholders. We place great importance on developing and upholding positive and cooperative relationships with all of our stakeholders in order to sustain our business functions, social goodwill, and brand.



Our core values: Integrity, Transparency, Think Big, Ownership, Innovation and Collaboration are the guiding principles and govern our strategy for advancing human rights and involving stakeholders.

Crown Paints performs extensive stakeholder analysis to identify and classify stakeholders based on their impact and significance to the company. Stakeholder selection takes into account cooperation, partnerships, and discussion in order to achieve positive outcomes and address common concerns.



Customers, workers, shareholders, investors, suppliers, local communities, government agencies, industry organisations, and non-governmental organisations (NGOs) are among the stakeholders. Our stakeholder groups and major organisations within those groupings are listed.

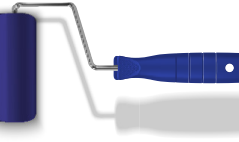


## Stakeholder Concerns

Stakeholders	Key Material Topics	Engagement Channel & Frequency	Outcomes
 <p>Customers</p>	<ul style="list-style-type: none"> <li>Eco-Friendly and Low VOC</li> <li>Paint Quality</li> <li>Sustainable Sourcing</li> <li>Paint Ingredients</li> </ul>	<ul style="list-style-type: none"> <li>Customer surveys</li> <li>Social media interactions</li> </ul>	<p>Improved customer satisfaction, feedback on products/services, identifying customer needs and preferences. Real-time feedback, addressing customer concerns, building brand loyalty.</p>
 <p>Employees</p>	<ul style="list-style-type: none"> <li>Health and Safety</li> <li>Training and Career Development</li> <li>Diversity and Inclusion</li> <li>Employee Health and Wellness</li> </ul>	<ul style="list-style-type: none"> <li>Customer surveys</li> <li>Social media interactions</li> <li>Employee survey</li> <li>Town hall meetings</li> </ul>	<p>Insights into job satisfaction, engagement, and areas for improvement. Open communication, understanding employee concerns, and fostering a positive work environment.</p>
 <p>Shareholders &amp; Investors</p>	<ul style="list-style-type: none"> <li>Positive Financial Performance</li> <li>Corporate Governance</li> <li>Business Strategy and Long-Term Planning</li> <li>Transparency and Communication</li> <li>Environmental Impact and Sustainability Practices</li> </ul>	<ul style="list-style-type: none"> <li>Annual General Meetings (AGMs)</li> <li>Investor conferences</li> </ul>	<p>Updates on financial performance, business strategy, and addressing investor queries. Presenting company progress, potential opportunities, and addressing investor concerns.</p>
 <p>Suppliers</p>	<ul style="list-style-type: none"> <li>Fair and Ethical Sourcing</li> <li>Supplier Diversity and Inclusion</li> <li>Collaborative Partnerships</li> <li>Supply Chain Resilience</li> </ul>	<ul style="list-style-type: none"> <li>Supplier sustainability reports</li> <li>Supplier workshops</li> </ul>	<p>Sharing best practices, discussing sustainability initiatives, and addressing supplier concerns. Evaluating supplier sustainability performance and promoting responsible sourcing.</p>

Stakeholders	Key Material Topics	Engagement Channel & Frequency	Outcomes
 <p>Local Communities</p>	<ul style="list-style-type: none"> <li>Environmental Impact</li> <li>Health and Safety</li> <li>Employment and Economic Opportunities</li> <li>Social Investments and Philanthropy</li> <li>Pollution management</li> </ul>	<ul style="list-style-type: none"> <li>Community consultations</li> <li>Community development projects</li> </ul>	<p>Understanding community concerns, feedback on operations, and addressing social and environmental issues.</p> <p>Collaborative efforts on education, infrastructure, and social welfare initiatives.</p>
 <p>Government &amp; Regulatory bodies</p>	<ul style="list-style-type: none"> <li>Regulatory Compliance</li> <li>Environmental Impact and Emissions</li> <li>Health and Safety Standards</li> <li>Product Quality and Safety</li> <li>Reporting and Transparency</li> <li>Taxation and Financial Reporting</li> </ul>	<ul style="list-style-type: none"> <li>Regulatory reporting</li> <li>Policy advocacy engagements</li> </ul>	<p>Ensuring compliance with laws and regulations, maintaining transparency.</p> <p>Influencing policy decisions, contributing to industry-related regulations.</p>
 <p>Industry Associations</p>	<ul style="list-style-type: none"> <li>Advocacy for Industry Interests</li> <li>Standards and Best Practices</li> <li>Research and Innovation</li> <li>Supply Chain Collaboration</li> <li>Regulatory Compliance Support</li> </ul>	<ul style="list-style-type: none"> <li>Association events</li> <li>Working groups</li> </ul>	<p>Networking, knowledge sharing, and collaborating on industry initiatives.</p> <p>Addressing sector-specific challenges, establishing industry standards.</p>
 <p>Non-Governmental Organisations (NGOs)</p>	<ul style="list-style-type: none"> <li>Environmental Impact</li> <li>Social Responsibility</li> <li>Human Rights and Labor Practices</li> <li>Transparency and Accountability</li> <li>Impact on Local Communities</li> <li>Waste Reduction and Recycling</li> </ul>	<ul style="list-style-type: none"> <li>Collaborative projects</li> </ul>	<p>Discussing sustainability efforts, sharing progress, and aligning on social and environmental goals.</p> <p>Working together on community and environmental initiatives.</p>

## Organization's Response



Crown Paints is committed to a holistic and responsible approach to addressing the key material topics identified by our stakeholders. We recognize the diverse needs and expectations of our stakeholders, and we are dedicated to making meaningful contributions in each of these areas:



### Customers:

We are fully aware of our customers' concerns regarding eco-friendliness, low VOC (Volatile Organic Compounds), paint quality, sustainable sourcing, and paint ingredients. Crown Paints is committed to providing high-quality, environmentally friendly products that meet and exceed industry standards. We continuously strive to improve our products and services to align with the evolving needs of our customers.



### Industry Associations:

We actively participate in industry associations to advocate for industry interests, promote standards and best practices, drive research and innovation, and foster supply chain collaboration. We also provide support for regulatory compliance within our industry.



### Shareholders & Investors:

We are dedicated to achieving strong financial performance while upholding top-tier corporate governance standards. Our strategic planning aims to generate lasting value for our shareholders and investors. Transparency and open communication are core principles in our corporate culture, fostering honest dialogue with all stakeholders. Our focus on environmental sustainability and reducing our impact aligns with our long-term financial stability goals.



### Employees:

Our employees are the backbone of our success. Their well-being, health, and safety are paramount. We invest in comprehensive health and safety measures, offer training and career development opportunities, promote diversity and inclusion in our workforce, and prioritise employee health and wellness. We believe that a thriving, diverse, and engaged workforce is essential to our continued growth.



### Suppliers:

Fair and ethical sourcing, supplier diversity and inclusion, collaborative partnerships, and supply chain resilience are critical components of our supplier relationships. We work closely with our suppliers to ensure that our supply chain is both ethical and resilient, fostering collaboration and innovation.



### Local Communities:

We recognize our responsibilities towards the local communities where we operate. We actively manage our environmental impact, prioritise health and safety standards, provide employment and economic opportunities, engage in social investments and philanthropy, and diligently manage pollution. We aim to be a responsible corporate citizen, enriching the communities we serve.

**Government & Regulatory Bodies:**

Regulatory compliance, environmental impact and emissions control, adherence to health and safety standards, product quality and safety, transparent reporting, and responsible taxation are fundamental to our operations. We commit to working closely with regulatory bodies to meet and exceed standards while contributing to our shared goals of sustainability and responsible business practices.

**Non-Governmental Organisations (NGOs):**

We recognize the importance of partnering with NGOs to address environmental impact, social responsibility, human rights and labour practices, transparency, accountability, and waste reduction and recycling. We are committed to working hand in hand with these organisations to make a positive impact on society and the environment.



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# MATERIAL TOPICS

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At Crown Paints, creating a comprehensive sustainability report is more than just a chore on a checklist; it's a strong desire to leave a positive footprint on the world. As we dip our paint brushes in enthusiasm, we recognise that valuable ideas, diverse perspectives, and deep knowledge reside within our stakeholders.



But it's not only the diversity of colours in our stakeholder palette that distinguishes Crown Paints; it's our constant dedication to actively interact with each brushstroke of influence.

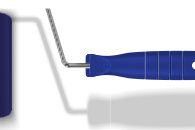
This deep connection allows Crown Paints to delve deep into the rainbow of viewpoints, obtaining essential insights into our stakeholders' distinct goals and expectations. Through open and honest communication, we engage in dialogue and collectively come to a decision.

This allows us to explore the issues that actually resonate with our organisation's principles.

To ensure the utmost relevance and authenticity of its sustainability report, Crown Paints follows a well-defined process to determine materiality. This involves a series of strategic steps designed to evaluate the significance and impact of various sustainability issues on both the company and its stakeholders.



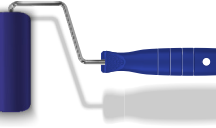
## Material Matters Defined



**The determination of material topics was not solely based on internal evaluations. Crown Paints validated its findings through internal discussions and sought expert consultations to arrive at a well-informed prioritisation.**

This robust process guaranteed that the sustainability report effectively addresses the most relevant and significant issues, presenting a transparent and credible account of Crown Paints sustainability performance to all stakeholders.

# Material Matters Defined



## Environmental Governance

At Crown Paints, environmental governance is not just a compliance requirement, but a core part of our identity and strategic operations. Understanding the critical need for businesses to act responsibly towards the environment, we've established an extensive environmental governance structure aimed at ensuring sustainable practices are embedded throughout our organisation. This commitment to the environment is reflected in our priorities for the fiscal year 2023/24, which emphasise vigilant monitoring of environmental matters by the Health, Safety, and Environment (HSE) Committee and proactive involvement of the executive management team.

## Advancing Water Management Initiatives

Access to safe and clean drinking water as an essential to human well-being is the basis of SDG 6 (Clean Water and Sanitation). At Crown Paints, we have taken the responsibility to lead our industry in protecting local water resources, promoting responsible water use and helping to ensure people have access to clean water. Water is a crucial resource for our production activities, especially for paints and coatings. We are committed to ensuring our water engaging practices are environmentally sustainable as embedded in our water targets. In FY2022, our total water consumption was 34,910 litres across all our five group entities. We are continually looking into enhancing our water efficiency measures as part of our process optimisation and re-engineering efforts with the aim of reducing our water consumption and significantly minimising our effluent water discharge.

## Hazardous Substance Management

Addressing the risks associated with hazardous chemicals used in the formulation of our products, particularly those with potential long-term health or environmental effects, is a paramount priority for Crown Paints. The scientific understanding, regulatory landscape, and community concerns around many of these chemicals are in constant flux, necessitating a rigorous management approach on our part. In 2014, we embarked on implementing a new group standard to amplify our long-standing commitment to product stewardship. This included the development of risk management plans for those chemicals we identify as of high or emerging concern, based on toxicological and/or regulatory classifications. This encompasses even those chemicals that may only be present in minor or trace quantities, as we strive to ensure all potential risks are thoroughly understood and evaluated.

## Diversity, Equity and Inclusion (DEI)

Cultivating a diverse and inclusive workforce is instrumental to the realisation of Crown Paints's strategic objectives. We understand that diversity in gender, culture and age, as well as experience, skills, and perspectives, greatly enhances our decision-making processes and fortifies our bond with consumers. This multifaceted diversity paves the way for superior solutions that serve our customers, consumers, and overall performance optimally.

### **Employee Care**

At Crown Paints, we are deeply committed to fostering a healthy work-life balance among our employees, recognizing that this balance enriches their personal lives, bolsters their professional prowess, and fosters holistic personal growth. We believe this enriching balance contributes directly to sustainable organisational growth, and hence, place it at the core of our workplace philosophy. With this principle guiding our policies, we have put in place systems to facilitate reforms in work styles, ensuring that our employees can maintain a harmonious balance between their professional commitments and personal aspirations. Our initiatives are aimed at providing robust support to our employees, aiding them in navigating the demands of their professional roles while preserving the sanctity of their personal time.

### **Waste Management**

At Crown Paints, we view waste not as an inevitable by-product of our operations, but as an opportunity for innovation, sustainability, and improved efficiency. Our approach to waste management aligns with our overarching commitment to environmental stewardship, seeking to minimise waste production, promote recycling, and ensure responsible disposal. By prioritising waste minimization and sustainable disposal methods, we are not only aligning with global best practices and regulatory requirements but also making a significant contribution to a more sustainable future. Our waste management strategies embody our commitment to the principles of the circular economy, ultimately enhancing our operational efficiency and reducing our environmental footprint.

### **Human capital management**

At Crown Paints, we celebrate the dedication, creativity, and diversity of our team spread across our five group entities: Crown Paints Allied Industries Limited, Regal Paints Uganda Limited, Crown Paints Tanzania Limited, Crown Paints Rwanda Limited, and Crown Paints Kenya PLC. Our team's unique blend of perspectives, skills, and experiences not only enriches our workplace culture but also drives our strategic success and sustainable growth. We have set the vision of becoming the employer of choice in the regional market to attract diverse and quality talent eager to foster sustainable impact through our operations. We seek to nurture an innovative mindset and foster a supportive organisational culture, thereby building a dynamic workforce dedicated to our vision for a sustainable future.

### **Energy and Emissions Management**

Climate change poses a significant global dilemma that can profoundly affect businesses in various aspects. These impacts extend beyond just sourcing materials and manufacturing products. They encompass the management of energy within facilities and the efficient utilisation of resources throughout the entire value chain. However, Crown Paints recognizes that climate change presents both risks and opportunities and we are committed to limiting our climate change impacts while adapting to the effects of climate change. Climate protection is hence a fundamental aggregate of our environmental policy observed in our overall agreements to sustainability. We are actively taking steps to decrease our environmental impact by reducing our carbon footprint.



### **Occupational Health and Safety**

The Crown Paints Occupational Health and Safety Policy is disseminated to all our group entities across the region, reinforcing our commitment to creating safe, secure, comfortable, and healthy workplaces that are free from accidents. We are diligently working towards the continual improvement of our organisation-wide occupational health and safety management systems under the direction of our Health and Safety Management Division, which bears the responsibility for promoting occupational health and safety across Crown Paints.

### **Product & Process Optimization**

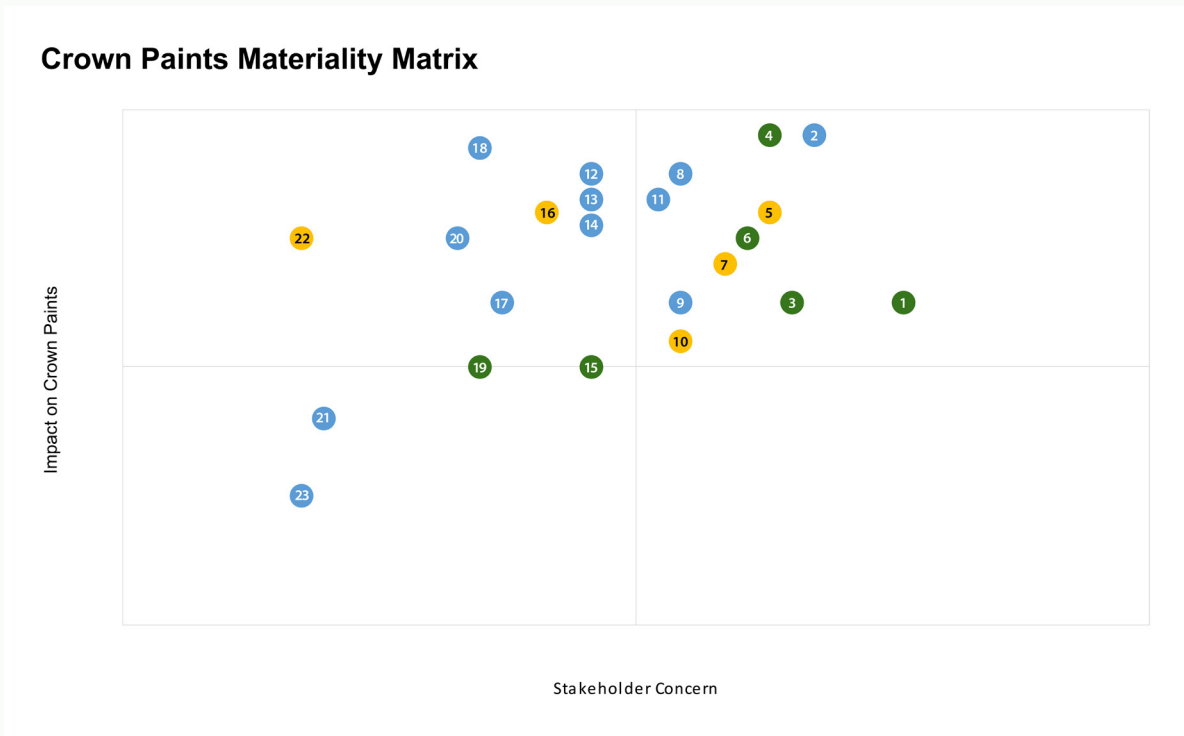
We have placed immense importance on process optimization to maintain a competitive edge in the market. This we have done through embracing lean manufacturing principles which streamline production workflows, reduce waste, and improve overall efficiency. Automation of most of our operations has played a key role in our process optimization efforts, enabling smoother and more consistent manufacturing processes while minimising the risk of human error. We have also invested in enhancing our supply chain management. By optimising logistics and fostering strong relationships with our suppliers, they ensure timely delivery of raw materials and finished products, supporting a seamless and reliable supply chain.



# Material Matters



## MATERIALITY MATRIX FOR CROWN PAINTS



Highest Materiality	Higher Materiality	High Materiality
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- 1. Water Management
- 2. Financial Performance
- 3. Waste Management
- 4. Hazardous Substances Management
- 5. Occupational Health and Safety
- 6. Energy and Greenhouse Gas Management
- 7. Employee Care
- 8. Vision and Sustainability Plan

- 9. Customer Relations Management
- 10. Ethical Management and Legal Compliance
- 11. Corporate Governance
- 12. Innovation and R&D (Research and Development)
- 13. Information Security and Customer Privacy
- 14. Risk and Crisis Management
- 15. Air Quality and Emissions
- 16. Talent Attraction and Retention

- 17. Procurement Practices and Management
- 18. Employee Training
- 19. Climate Change Response
- 20. Employee Rights and Diverse Equality
- 21. Digital Transformation
- 22. Human Resource Composition
- 23. Supply Chain Management
- 24. Community Investment and Participation



# ENVIRONMENTAL

## Why It Matters

At Crown Paints, we strive to be a model of sustainable practices in the paint manufacturing industry, recognizing the importance of protecting our planet for generations to come. Our environmental philosophy underpins every aspect of our operations, from sourcing raw materials to developing innovative, eco-friendly products.

### 1. Environmental Governance


What	How	Achievements
 <p>Adopting eco-friendly strategies</p>	<p>We are developing and implementing company-wide strategies that prioritise environmentally friendly practices in all of our operations, encouraging a culture of sustainability within the organisation.</p>	<p>We developed and rolled out four new company-wide environmentally friendly targets around carbon emissions, waste management, water management, and energy efficiency. The HSE committee will meet in the next few months to develop strategies for realising these goals in our operations.</p>
 <p>Environmental risk management</p>	<p>We are conducting regular environmental audits to assess our compliance with our policies and regulatory requirements, and to identify areas for improvement.</p>	<p>We conducted 15 comprehensive environmental audits this fiscal year, enabling us to exceed compliance with our policies and regulatory requirements and to implement several key improvements.</p>
 <p>Environmental education</p>	<p>We are investing in employee education to promote water-saving practices both at work and at home.</p>	<p>We held 25 training sessions in FY 2022, which focused on promoting water-saving practices. This initiative resulted in a significant 12% reduction in our water consumption</p>

What	How	Achievements
 <p>Regular auditing</p>	<p>We are conducting regular environmental audits to assess our compliance with our policies and regulatory requirements such as NEMA, and to identify areas for improvement.</p>	<p>We conducted bi-monthly environmental audits, helping us maintain compliance with our policies and regulatory requirements such as NEMA. The regularity of the audits allowed us to timely address and improve any identified areas of concern.</p>
 <p>Stakeholder engagement</p>	<p>We are actively involving all our stakeholders - employees, customers, suppliers, and the wider community - in our environmental efforts. We're ensuring they're informed about our policies and their roles in supporting them.</p>	<p>We involved all of our stakeholders in our sustainability journey more than ever before. We held a series of 8 webinars and workshops for employees, customers, suppliers, and the community, raising awareness of our environmental policies and fostering a collective responsibility towards environmental sustainability.</p>




### Priorities for FY 2023/24:

- Ensure that important matters related to the environment are monitored by the ESG & sustainability Committee, discussed and presented to the Executive management team for action.

## 2. Advancing Water Management Initiatives

What	How	Achievements
 <p>Water Stewardship</p>	<p>We are implementing water-saving measures in our factories, including rainwater harvesting and water recycling systems.</p>	<p>We installed water-saving measures in all our factories this year, including three new rainwater harvesting systems and two water recycling systems, leading to a 20% reduction in our total water consumption.</p>



What	How	Achievements
 <p><b>Smart Metering</b></p>	<p>We are employing advanced water metering technologies to monitor our water usage in real-time, providing us with crucial data to identify opportunities for further conservation.</p>	<p>We deployed advanced water metering technologies across all our facilities. This real-time monitoring has provided critical data, resulting in the identification and implementation of six significant water conservation initiatives.</p>
 <p><b>Employee Training:</b></p>	<p>We are investing in employee education to promote water-saving practices both at work and at home.</p>	<p>We conducted 12 water conservation workshops for our employees in FY 2022, promoting efficient water use both in the workplace and at home. These sessions have helped reduce water wastage significantly.</p>
 <p><b>Community Outreach</b></p>	<p>We are actively participating in community-based water conservation initiatives, reinforcing our commitment to sustainability and resource conservation within the broader community.</p>	<p>We took part in four community-based water conservation initiatives, enabling us to share our commitment to sustainability with the broader community and to provide support and knowledge for local conservation efforts.</p>

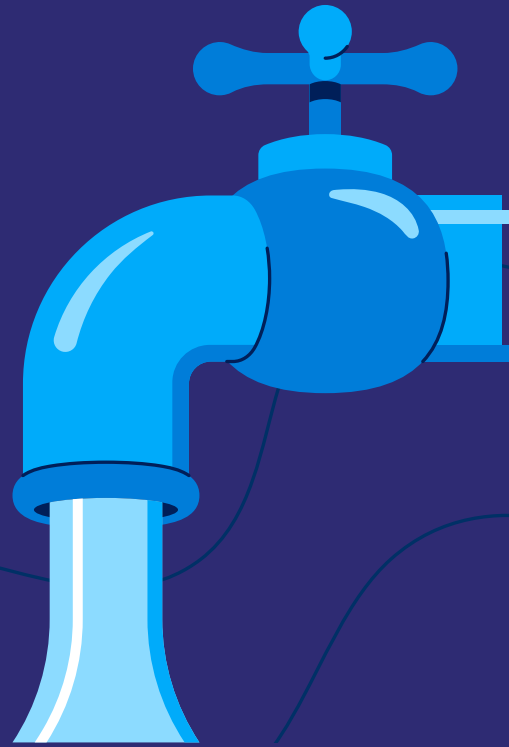
### Priorities for FY 2023/24:



#### **Our target is to enhance water usage efficiency in our operations by 15%.**

- We aim to set up rainwater harvesting systems in 2 more of our facilities, increasing our reliance on this sustainable source of water.
- We plan to expand our water recycling systems by 20% to further decrease our fresh-water demand.
- We intend to carry out water audits in all our facilities, aiming to identify opportunities for further conservation.
- We're targeting a 15% increase in investments towards innovating water-saving techniques, aiming to further reduce our overall water footprint.
- Our goal is to have smart metering systems installed in 70% of our facilities, enabling real-time water usage monitoring.
- We will increase our water conservation training sessions by 25% to equip our workforce with effective water-saving practices.
- We aim to participate in at least 5 community-based water conservation initiatives, demonstrating our commitment to sustainable water use.

# Water Consumption Across The Group


FY 2022/2023





-  918 Crown Paints Allied Industries Limited
-  9,725 Regal Paints Uganda Limited
-  4,850 Crown Paints Tanzania Limited
-  380 Crown Paints Rwanda Limited
-  19,037 Crown Paints Kenya PLC

 **TOTAL: 34,910**

## 3. Hazardous substance management

What	How	Achievements
 <p><b>Disposal Treatment</b></p>	<p>We tailor treatments to suit different types of waste. Recyclable materials, such as metal and wooden pallets, are processed for reuse and recycling. Non-recyclable waste is handled through landfilling, composting, or incineration.</p>	<p>We optimised our waste treatment processes, achieving an 18% increase in the recycling of materials such as metal and wooden pallets. For non-recyclable waste, we improved our disposal methods, reducing our landfill waste by 22%.</p>

What	How	Achievements
 <p data-bbox="204 385 367 488">Product Labelling &amp; innovation</p>	<p data-bbox="405 257 847 465">We label our products explicitly to guide their responsible disposal once they leave our premises. Our approach focuses on minimising waste generation throughout the product development process.</p>	<p data-bbox="920 257 1385 533">We updated the labelling on all our products this year to provide clearer guidance on responsible disposal. This initiative, together with other waste minimization strategies, contributed to a 15% reduction in waste generation throughout our product development process.</p>
 <p data-bbox="204 739 367 878">Employee Training &amp; Community Engagement</p>	<p data-bbox="405 633 868 801">We run programs that foster a circular economy mindset among our staff, promoting the principles of Reduce, Reuse, and Recycle in the workplace.</p>	<p data-bbox="920 633 1385 936">We ran 10 training programs in FY 2022, fostering a circular economy mindset among our staff and promoting the principles of Reduce, Reuse, and Recycle. These initiatives have been instrumental in reducing waste generation by 12% going to landfills.</p>
 <p data-bbox="204 1137 367 1196">Compliance Checks</p>	<p data-bbox="405 1010 887 1249">We conduct impact assessments to pinpoint and track waste sources in line with ISO:14001 standards and local waste disposal regulations. This approach ensures that we manage waste efficiently and effectively.</p>	<p data-bbox="920 1010 1385 1312">In the past fiscal year, we conducted bi-monthly impact assessments, identifying key waste sources and ensuring alignment with ISO:14001 standards and local waste disposal regulations. As a result, our waste management efficiency improved by 25%.</p>

### Priorities for FY 2023/24:

- Our target is to enhance waste segregation efficiency by 70%, thereby facilitating better disposal and recycling processes.
- We plan to establish at least three new partnerships with specialised recycling firms for improved management of hazardous waste disposal.
- Our goal is to reduce hazardous substances in product development by 20%, while still maintaining our high standards of quality and performance.
- We are targeting a 20% increase in investment in advanced technology for better tracking and management of hazardous waste, aiming to optimise our processes and reduce our environmental impact.
- We will increase our training sessions by 15%, aiming to equip our workforce with the latest best practices for handling hazardous substances.
- We aim to launch at least 5 community awareness programs in FY 2024 to educate our local community on the dangers of hazardous waste and the safe disposal of our products.



## Enhancing Environmental Performance: Crown Paints Leads the Way in Eco-friendly Paint Production

Crown Paints Product Design Team's innovation and commitment to sustainability has made a significant mark in the industry. Crown Paints now proudly holds the distinction of manufacturing eco-friendly paints certified by TUV Singapore.

Volatile Organic Compounds (VOCs), commonly found in traditional paints, easily evaporate into the air at room temperature. Exposure to these compounds can have detrimental effects on both the environment and human health. However, recent global research has paved the way for VOC-free alternatives, enabling the production of high-standard paints without harmful chemicals. These alternatives not only improve air quality but also reduce potentially polluting emissions. These revolutionary products are known as zero VOC paints.

Crown Paints has been a pioneer in producing low-VOC paint ranges for some time. Now, after years of research and development, Crown Paints is proud to be the first company in the region to manufacture and offer zero VOC paints. This development aligns with our commitment to deliver innovative products that meet the highest international standards. Opting for zero VOC paints is a significant step towards promoting a more environmentally conscious approach to both interior and exterior painting.

### Benefits of Zero VOC Paints:

- **Non-toxic:** Zero VOC paints do not emit harmful toxins.
- **Health-conscious Choice at an Unchanged Price:** Zero VOC paints enhance our product range's value, providing a healthier alternative at no extra cost.
- **Odourless:** Free from strong fumes, zero VOC paints are perfect for spaces such as schools, hospitals, and homes, as they have a minimal impact on air quality.

**We are excited to introduce the following products in our zero VOC range:**



**Crown Vinyl Matt Emulsion:** This product offers a luxurious matt finish with high durability, stain protection, and natural colours, suitable for interior use and limited exterior exposure.



**Crown Permaplast:** This is an ideal paint for protecting exterior walls exposed to weather. It offers a life expectancy of 5-6 years and comes in a variety of natural colours.



**Crown Silk Vinyl Emulsion:** This product offers excellent stain protection with vibrant, long-lasting colours and provides a silky, sheen finish on walls.

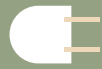
*Our commitment to eco-friendly solutions stands at the forefront of all our operations, and we continue to innovate to uphold this promise.*

## 4. Energy and Emissions Management

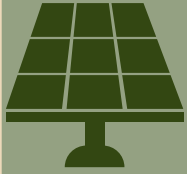
What	How	Achievements
 <p><b>CO2 Emissions Reduction</b></p>	<p>We are actively working to reduce CO2 emissions and achieve carbon neutrality across our entire value chain.</p>	<p>We are set to conduct the first company-wide carbon footprint analysis for scope 1 and scope 2 emissions in the next fiscal year.</p>
 <p><b>Transport-related emissions reduction</b></p>	<p>Reducing transport-related emissions is a central element of our environmental sustainability strategy, aimed at mitigating our carbon footprint and combating climate change. This is accomplished through efficient route planning, fleet modernization, driver training on eco-driving techniques, consolidated shipments, and local sourcing. By implementing these strategies, we optimise delivery routes, leverage fuel-efficient vehicles, minimise fuel consumption, reduce the number of trips needed, and decrease the distance goods travel.</p>	<p>Through the successful implementation of eco-driving training and a modernised fleet, we achieved a 15% reduction in fuel consumption, surpassing our initial target. Furthermore, by leveraging efficient route planning and consolidated shipments, we reduced the number of delivery trips by 20%.</p>
 <p><b>Improving energy efficiency</b></p>	<p>We're improving energy efficiency by upgrading our facilities with energy-saving lighting and incorporating renewable energy sources wherever we can.</p>	<p>We upgraded lighting systems to energy-efficient models in two of our largest facilities, leading to a 12% reduction in our energy consumption. Moreover, we integrated solar panels at three of our locations, contributing to a 10% increase in our use of renewable energy.</p>

### Priorities for FY 2023/24:

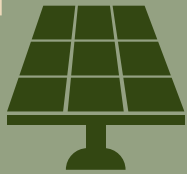
- Implementation of audit recommendations.
- Extend the energy saving initiatives across all our group entities.
- 20% fleet of vehicles switched to lower-emission options.
- Increase electricity from renewable sources to a total of 20 % of the total usage.
- Upgrade to LED bulbs and lamps in 65% of our facilities.



# Energy Consumption Across The Group



18,744 kWh



288,772 kWh

142,115 kWh

5,400 kWh

835,900 kWh

Crown Paints Allied Industries Limited

Regal Paints Uganda Limited

Crown Paints Tanzania Limited

Crown Paints Rwanda Limited

Crown Paints Kenya PLC

**TOTAL:  
1,290,931**

## 5. Waste Management

What	How	Achievements
<p>Waste minimisation</p>	<p>In our manufacturing process, we're continuously innovating to reduce waste generation. We strive to optimise the use of raw materials and decrease the production of surplus or defective items.</p>	<p>Our innovative efforts led to a 15% reduction in waste generation from our manufacturing process. We achieved this through better utilisation of raw materials and fewer instances of surplus or defective production.</p>
<p>Recycling initiatives</p>	<p>We are expanding our recycling efforts by identifying opportunities to reuse or recycle waste materials, such as empty paint cans, pallets, and other packaging materials.</p>	<p>This year, we successfully recycled 30% of waste materials, such as empty paint cans, pallets, and packaging materials, an improvement from the previous year.</p>
<p>Sustainable packaging</p>	<p>We are shifting to eco-friendly packaging alternatives that are recyclable and reduce the environmental impact.</p>	<p>In 2022, 40% of our products were packaged using eco-friendly alternatives such as Post-Consumer Recycled (PCR) Plastics which enabled us to give a second life to plastic that would otherwise end up in a landfill. We use PCR plastics can to create paint cans and lids, reducing the demand for new plastic production.</p>

What	How	Achievements
 <p>Product take back</p>	<p>We are implementing a product take-back scheme, allowing customers to return used paint cans and other product containers for proper disposal or recycling.</p>	<p>We have laid out the plans to launch our product take-back scheme targeting over 25 dealers and over 10,000 customers in the first round of the initiative.</p>
 <p>Safe disposal</p>	<p>For waste that cannot be reused or recycled, we're committed to safe and responsible disposal, ensuring compliance with local regulations and minimising environmental impact.</p>	<p>For non-recyclable waste, we maintained 100% compliance with local regulations for safe disposal, thus minimising our environmental impact.</p>
 <p>Employee training</p>	<p>We're conducting workshops and training programs to foster a culture of waste minimization and recycling among our employees.</p>	<p>We conducted 16 waste minimization and recycling training programs for our employees in FY 2022. As a result, we've seen increased staff participation in our sustainability efforts.</p>

**Priorities for FY 2023/24:**

- Conduct 2 annual waste audits.
- 54% of waste has been diverted from landfill through strategic partnerships with waste handlers that can recycle and reuse waste.
- Recycle 4000l of wastewater daily.
- Recycle 850 Kgs of tins/month.
- Make our packaging materials to be recyclable and 50% from recyclable material.
- Introduce a take-back scheme.



## SOCIAL

In the pursuit of our mission at Crown Paints, we recognize that our responsibilities extend beyond our product lines to encompass the stakeholders that we serve and impact.

Our social sustainability strategies are dedicated to fostering an inclusive, diverse, and equitable environment both within our company and the communities where we operate. We firmly believe in enriching lives through concerted efforts in employee

welfare, community engagement, customer satisfaction, and upholding human rights.

We strive to generate shared value, ensuring our business growth aligns with societal advancement and well-being. This section of our Sustainability Report details our endeavours in these areas and our commitment to strengthening our positive social impact.



## A. Human Capital

### Why It Matters

At Crown Paints, we place great emphasis on the value of our human capital – our dedicated employees who are at the core of our value creation. We aspire to harness the diverse talents and perspectives within our group entities to deliver superior value to our customers, society, and contribute towards a sustainable world. We are resolute in our commitment to respect the basic rights of our employees, ensure equal opportunities, and maintain health and safety at work.

We strive to foster a strong rapport between our employees and the company, creating work environments that evoke pride and satisfaction. We actively engage in dialogues about employee welfare and career growth opportunities. Furthermore, we are investing in strengthening our pool of digital talent, a key element in realising our growth strategy, and promoting Diversity, Equity, and Inclusion (DEI) throughout our operations across the region.

### 1. Human Capital Management

What	How	Achievements
 <p>Putting the right person in the right place</p>	<p>We implement rigorous recruitment processes and comprehensive talent management strategies to ensure that each role within our organisation is filled with the most qualified and suitable candidate. Our strategic workforce planning enables us to align our employees' skills and talents with our business needs, thereby optimising productivity and driving innovation.</p>	<p>Introduced formal job descriptions aimed at transitioning to job-based HR management.</p>
 <p>Ensuring fair evaluation and compensation</p>	<p>We adhere to a performance-based appraisal system that recognizes and rewards employees based on their contributions and achievements. We strive to provide competitive compensation packages that reflect industry standards and promote fairness and equality within our workforce. Our compensation strategy aims to retain top performers and motivate all employees to strive for excellence.</p>	<p>We've implemented a performance-based appraisal system in all departments, enhancing performance evaluation transparency. Our industry-standard compensation structure led to a 15% reduction in employee turnover, reflecting increased employee satisfaction with equitable pay practices.</p>

What	How	Achievements
 <p><b>Improving employee engagement</b></p>	<p>We are committed to fostering an inclusive and engaging work environment. We encourage open communication, support employee involvement in decision-making processes, and promote activities that boost morale and team spirit. Regular surveys and feedback mechanisms are in place to understand our employees' needs, aspirations, and concerns, which helps us to enhance their engagement levels.</p>	<p>Percentage of positive responses to employee engagement questions in regional employee survey: 65%.</p>
 <p><b>Fostering a group-wide Crown Paints culture</b></p>	<p>Our corporate culture is central to our identity and success. We consistently promote our core values, mission, and vision across all levels of the organisation. We organise various initiatives such as workshops, team-building events, and internal communications campaigns to ensure that our culture is understood, embraced, and lived by every member of our Crown Paints family.</p>	<p>We launched a comprehensive internal campaign, "One Crown Paints," to instil and reinforce our core values and principles throughout the organisation. This initiative included a shared digital platform for cross-division collaboration and communication. As a result, we saw a 20% increase in cross-departmental projects and initiatives, reflecting a stronger sense of collective identity and shared purpose.</p>

### Priorities for FY 2023/24:

- Improve our talent acquisition strategy by leveraging advanced HR analytics and predictive modelling to match the right talent with the right roles, aiming for a 15% improvement in employee-job fit by FY 2024.
- Enhance our internal mobility program to provide more opportunities for current employees to move into roles that best align with their skills and interests, with a goal of increasing internal job movements by 20%.
- 20% fleet of vehicles switched to lower-emission options
- Increase investment in our employee engagement initiatives such as team-building events, employee recognition programs, and wellness activities, aiming to lift our overall employee engagement score by 20%.
- Implement a robust feedback mechanism to better understand and respond to employees' needs and ideas, with the goal of increasing response rates to our employee satisfaction survey by 30%.
- Launch a "Crown Paints Sustainability Ambassador" program to foster a unified company sustainability culture across all our divisions. We aim to have at least one ambassador in every department by the end of FY 2024.

**Group Entities****No. of Employees**



Crown Paints Allied Industries Limited		9
Regal Paints Uganda Limited		274
Crown Paints Tanzania Limited		58
Crown Paints Rwanda Limited		14
Crown Paints Kenya PLC		938

**Net gain for employees**

Number of new hires	34
Total Number of people who left	22
Net gain in employee numbers (New Hires - People Left)	12

**2. Talent development**

What	How	Achievements
 <p><b>Fostering autonomy of the individual</b></p>	<p>We believe that personal initiative and autonomy are critical for creativity and innovation. To foster this, we are creating an empowering work environment where our team members have the freedom and confidence to make decisions and take actions within their realms of responsibility. This includes clear communication of expectations, trust-based management, and support for innovative ideas.</p>	<p>We believe that personal initiative and autonomy are critical for creativity and innovation. To foster this, we are creating an empowering work environment where our team members have the freedom and confidence to make decisions and take actions within their realms of responsibility. This includes clear communication of expectations, trust-based management, and support for innovative ideas.</p>
 <p><b>Supporting career development</b></p>	<p>We understand that each of our employees has unique career aspirations. We support their career development by providing personalised development plans, mentorship programs, and opportunities for internal mobility. We also provide various learning and development programs to enhance the skills and competencies necessary for career advancement.</p>	<p>We developed and implemented personalised career development plans for over 17% of our employees. This initiative led to an increase in internal promotions and a reduction in staff turnover.</p>




What	How	Achievements
 <p><b>Enhancing the Crown Paints Internship Program</b></p>	<p>We are working to enhance this program by including more comprehensive training modules, hands-on project experiences, and mentorship opportunities. Our goal is to provide interns with meaningful experiences that will aid in their professional development and potentially pave the way for future employment within Crown Paints.</p>	<p>We expanded our internship program by 15%, welcoming a diverse range of interns from various academic fields. Our interns reported a high level of satisfaction with the program, and several have now transitioned into full-time roles within the company. The number of interns taken has increased in that currently we have started taking interns at our other factories and depots that is in Mombasa and Kisumu factory as well as in Nyeri, Kisumu and Eldoret depot.</p>
 <p><b>Developing management-level leadership</b></p>	<p>Leadership capability at the management level is critical for driving our organisation's strategy and culture. To build this, we offer a range of leadership development programs focusing on strategic thinking, people management, and decision-making. We also have a structured succession planning process in place to identify and prepare high-potential individuals for leadership roles.</p>	<p>We introduced new leadership training programs for our management team. As a result, we have seen a 25% increase in participation in these programs and received positive feedback from participants on the value of the training.</p>

### Priorities for FY 2023/24:

- By FY 2024, we aim to implement personalised development plans for 60% of our employees, to further support their career growth and provide clear pathways for their professional advancement.
- Our objective for FY 2024 is to increase intern intake by 20% compared to previous years and expand the range of experiences offered to interns, thereby enhancing the quality and breadth of our internship program.
- For FY 2024, our goal is to increase participation in our management leadership development programs by 30%, thereby strengthening leadership capabilities within our management team.



## FY 2022/2023 Leadership Development Training Programs

Course	Group Entities	Attendees	
Strategic Decision Making	Crown Paints Allied Industries Limited		33
Effective Communication	Regal Paints Uganda Limited		21
Emotional Intelligence	Crown Paints Kenya PLC		45
Conflict Resolution	Crown Paints Tanzania Limited		12

## Featured Story

### From Internship to Impact: Jane Wanyaga's Journey with Crown Paints Kenya



Jane Wanyaga embarked on her journey with Crown Paints Kenya in January 2016 as an intern, while studying at Mount Kenya University.

Initially planned for three months, her internship was extended to six, reflecting her value. Assigned to the Mogadishu office, she handled Credit Control and Payables before relocating to the Likoni office for Accounts

Payables and Costing, gaining practical experience. Motivated by unique learning opportunities, Jane saw the internship as a chance to immerse herself in practical accounting work. Notably, she was entrusted with complex tasks, smoothing her transition into a full-time role.

However, challenges arose. Covering housing costs was difficult, especially as her parents wished her to reside close to her workplace for convenience and safety. Nonetheless, the monthly stipend from Crown Paints helped offset commuting and accommodation expenses, and the company covered meal costs for interns. Jane found the immersive nature of the Crown Paints Internship Program initially daunting, particularly when handling a Local Purchase Order (LPO) on her second day, an experience that left her "completely awed."




Throughout her internship, Jane acquired key skills, including technical accounting proficiency and an improved understanding of credit control, financial reporting, and cost analysis. Interactions with colleagues and suppliers honed her communication skills. Valuable learnings included personal finance management and time and people management skills, all transferable to her current role.

Determined to contribute to Crown Paints’ sustainability journey, Jane aspires to enhance sustainable supply chain management and champion gender inclusivity. She aims to maintain open communication with suppliers, ensuring the accounting department supports the supply chain effectively.



Mentorship and support played pivotal roles in building Jane’s confidence during her internship. She is deeply grateful to her supervisors at Crown Paints for their guidance and urges the administration to consider additional allowances for interns’ living expenses.




### Number of Interns FY 2022/2023

Our commitment to nurturing talent is evident in the number of new recruits we’ve welcomed into the Crown Paints. In the fiscal year 2022/23, we brought in a total of 22 fresh college graduates eager to make their mark in the paints and coating industry.

Number of new recruits (new college graduate employees)	FY 2022/2023
Male	 17
Female	 5
Total	 22
New recruits’ Female recruitment ratio (new college graduate employees) (%) 23:77	

## 3. Diversity, Equity and Inclusion (DEI)

What	How	Achievements
 Promote diversity among executives	We are consciously working towards ensuring that the company’s executive leadership is representative of different backgrounds, perspectives, and experiences. This includes implementing targeted recruitment strategies to attract executives from diverse racial and ethnic backgrounds, different genders, various age groups, and distinct experiences.	There is one lady on the board. There is a representation 18:82 in management for women.
 Crown Paints DEI Policy	Creating a company-wide policy that outlines Crown Paints commitment to fostering an inclusive and diverse workplace. This could include guidelines on non-discrimination, equal opportunity, and respect for all employees.	

What	How	Achievements
 <p>Enhance employees' understanding of DEI</p>	<p>Providing regular training sessions on DEI topics to ensure all employees understand and respect differences and are aware of unconscious biases that could affect their decisions and interactions.</p>	<p>Implemented regular DEI workshops and training, resulting in a 11% increase in employee participation in these sessions compared to the previous fiscal year.</p>
 <p>Encouraging Supplier Diversity</p>	<p>Extending the principles of DEI to the company's supply chain by doing business with diverse suppliers, which could include minority-owned, women-owned, or PWDs-owned businesses.</p>	<p>Crown Paints awarded 10% more contracts to minority and women-owned businesses compared to the previous fiscal year, contributing to the growth of diverse suppliers in our value chain.</p>
 <p>Embedding DEI in Performance Metrics</p>	<p>Including DEI-related goals and behaviours in performance reviews to ensure employees and managers are held accountable for supporting an inclusive work environment.</p>	

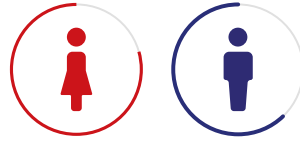
### Priorities for FY 2023/24:

- Increase the representation of diverse groups in executive roles by 10% by the end of FY 2024.
- Establish measurable objectives for the DEI policy implementation, such as ensuring 100% of employees have read, understood, and acknowledged the policy by the end of FY 2024.
- Develop and implement DEI training programs for all employees, aiming for a 30% increase in employee participation in DEI training sessions compared to the previous fiscal year.
- Work to enhance supplier diversity by setting a target to increase the percentage of contracts awarded to minority and women-owned businesses by 20% by the end of FY 2024.
- Incorporate DEI goals into performance assessment metrics, aiming for at least 60% of all employees to have DEI-related objectives included in their performance evaluation by the end of FY 2024.

## Gender Representation Within Crown Paints Management Roles

Number of Managers FY 22/23

13



56



## Gender Diversity Within Crown Paints

Number of Employees FY 22/23

249



1044

TOTAL: 1,293

Ratio of Female: Male (%)  
19:81

## B. Employee Welfare

### Why It Matters


At Crown Paints, we hold worker welfare in the highest regard, understanding that it aligns directly with our core values, particularly our unwavering dedication to safety. We recognize that when our employees and contractors are well-cared for, they are able to perform optimally, directly contributing to the overall success of our business.


As part of Crown Paints strategic vision, we aim to enrich lives and foster an inclusive society through our diverse range of products and dynamic operations. Our commitment to worker welfare forms an integral part of this strategy and is deeply rooted in our respect for human rights. Guided by international standards, including the UN Guiding Principles on Business and Human Rights, Crown Paints is committed to upholding human rights as set out in the UN Universal Declaration of Human Rights and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work.

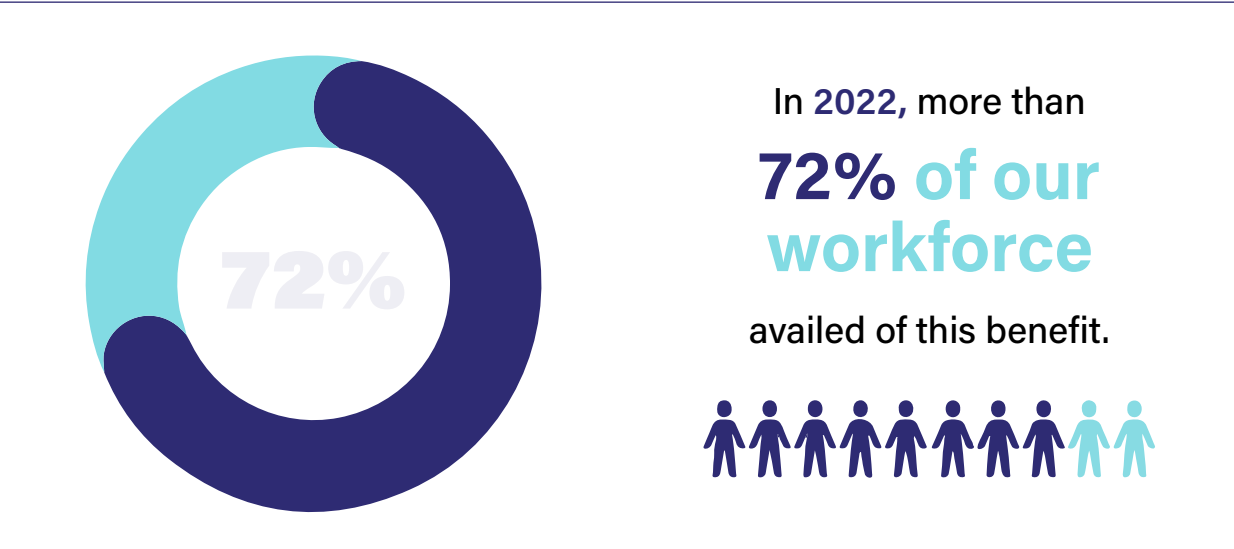
We strive for continual improvements in the welfare of our workforce, creating an environment that promotes fairness, respect, and a sense of belonging. We are firmly committed to this journey and will persist in our efforts to become an industry leader in worker welfare.



## 4. Employee Care

What	How	Achievements
 <p>Support systems for balancing work and child care</p>	<p>Understanding the needs of our employees who are parents or caregivers, we have developed and continuously expanded support systems that allow them to balance work with their care responsibilities. This includes provisions for parental leave, flexible work hours, remote work possibilities, and on-site childcare facilities.</p>	<p>As part of our commitment to fostering a supportive and inclusive work environment, we introduced and expanded facilities for balancing work and childcare/nursing care responsibilities. We're proud to report that in 2022, over 30 nursing mothers made use of these facilities. This has made a significant difference in easing the transition back to work for new mothers, demonstrating our continuous effort to adapt and respond to the diverse needs of our workforce.</p>

 <p>Subsidised Meal Program</p>	<p>At Crown Paints, we understand the importance of proper nutrition and its impact on overall health and productivity. Recognizing this, we have implemented a subsidised meal program for our employees. This program ensures that while at work, employees have access to affordable, nutritious meals, with the company covering 70% of the meal costs. This initiative not only boosts the well-being of our employees but also contributes to a positive, supportive work environment, demonstrating our commitment to employee welfare.</p>	<p>In 2022, more than 72% of our workforce availed of this benefit, enjoying nutritious meals at a significantly reduced cost. This initiative not only contributes to the physical well-being of our staff but also fosters a sense of community and belonging within our organisation, as shared meals have become a time for camaraderie and team-building.</p>
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**Priorities for FY 2023/24:**

- Aim to reduce instances of overtime by 15% by streamlining work processes, encouraging effective time management, and monitoring workload distribution.
- Strive to introduce at least two new initiatives or support systems that cater to the diverse needs of our employees, such as mental health resources or expanded family leave policies.
- Target to extend the reach of our subsidised meal program to benefit at least 80% of our workforce, promoting healthy nutrition and employee wellbeing.
- Increase electricity from renewable sources to a total of 20 % of the total usage.
- Upgrade to LED bulbs and lamps in 65% of our facilities.


## Performance Management

In the implementation of performance management, besides establishing goals that the Company and employees agree on for driving growth, employees can check the progress of each work goal at any time, and make adjustments or seek the advice of their supervisor to assist with their own development. Crown Paints employees regularly receive performance evaluation regardless of gender, as long as the annual performance cycle falls within the days specified for evaluation. We use a promotion system for employees who continue to show good performance, which means having a higher base salary, benefits, and bonuses for encouraging employees to continue to make progress and contributions.



For employees whose performance falls behind, their direct supervisors are required to regularly review and follow up on their performance, in order to assist them in boosting their performance and strengthening their weaknesses.

## 2. Occupational Health and Safety

What	How	Achievements
 <p><b>Establishing occupational health and safety management systems</b></p>	<p>We are improving our systems for managing workplace health and safety, built on international standards like ISO 45001. This involves setting clear policies, outlining responsibilities, implementing control measures, and tracking performance to ensure continuous improvement.</p>	<p>We successfully implemented ISO 45001 certified occupational health and safety management systems across all our operations, achieving 100% compliance in FY 2022/23.</p>

What	How	Achievements
 <p>Occupational health and safety risk assessments</p>	<p>We are conducting regular risk assessments to identify potential hazards in the workplace, evaluate their risk, and implement appropriate control measures. This proactive approach helps us prevent accidents and illnesses, ensuring a safer environment for our employees.</p>	<p>Over the fiscal year, we conducted comprehensive risk assessments for 95% of our operational sites, leading to a significant reduction in workplace hazards.</p>
 <p>Occupational Health &amp; Safety Training</p>	<p>We are offering regular training programs to all employees, covering a wide range of topics from basic safety practices to specific procedures for handling hazardous substances. This education helps employees understand the risks associated with their work and how to manage them effectively.</p>	<p>In FY 2022/23, we managed to train over 95% of our workforce on occupational health and safety practices, significantly enhancing the safety culture within the organisation.</p>
 <p>Ensuring the occupational health and safety of contractors</p>	<p>We are extending our health and safety policies to cover all contractors and suppliers working on our premises. This includes providing them with the necessary training and ensuring they follow our safety protocols, as well as conducting regular audits of contractor safety performance.</p>	<p>We have ensured that all our contractors – accounting for approximately 95% of our non-employee workforce – received comprehensive health and safety training, resulting in a 20% decrease in contractor-related incidents.</p>
 <p>Implementing initiatives to improve employee health</p>	<p>Beyond safety measures, we're also launching initiatives to promote general health and well-being among our employees. This could include fitness programs, health screenings, mental health resources, and healthier cafeteria options, all aimed at creating a healthier and more productive workforce.</p>	<p>We launched wellness initiatives that reached more than 85% of our employees, which led to a noticeable improvement in employee health metrics such as decreased absenteeism and increased productivity.</p>

**Priorities for FY 2023/24:**

- Continuously enhance our systems and maintain our 100% compliance with ISO 45001 standards.
- We aim to reach a 90% coverage of risk assessments across all operational sites, ensuring every potential hazard is identified and mitigated.
- We plan to increase the percentage of our workforce trained in occupational health and safety practices to 95% by the end of FY 2024.
- We aim to reach 90% of our employees with our wellness initiatives and further decrease absenteeism rate by 10%. We also target to improve our productivity metrics by an additional 5%.

## Crown Paints Safety & Health Committee

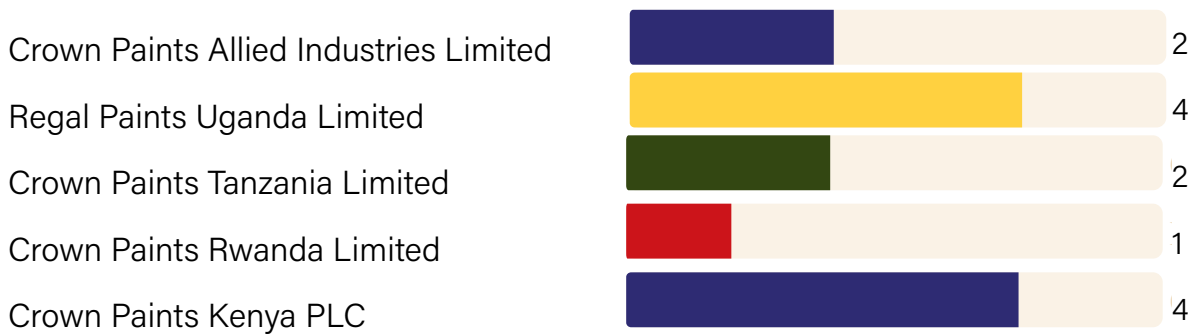
To ensure that all employees have a safe and healthy work environment, we have in place a Safety, Health & Environment section and Safety and Health committees in all locations in accordance with the Occupational Safety and Health Act. The Safety, Health & Environment section has 5 full-time Safety, Health, Environment & Quality coordinators across the five group entities. The committee convenes on a monthly basis. All units give presentations on target plans and programs.

The meeting also establishes occupational safety targets, and discusses the progress, with a management review meeting each quarter year reviewing, coordinating and making recommendations on safety and health matters, ensuring the suitability and effectiveness of occupational safety and health. In addition to the aforementioned meetings, stakeholders can express their opinions on occupational safety and health through the Customer Feedback Center, dedicated email, stakeholder section and internal communication platform.

**Statistics on HSE training conducted in FY 2022/23**

**Group Entities**

**Number of Trainings**



## Promoting Measures to Prevent the Spread of Infectious Diseases

At Crown Paints, we remain vigilant and proactive in safeguarding the health of our employees and stakeholders against any infectious diseases that could potentially disrupt our community's well-being. Consistent with this commitment, we encourage all employees to conduct a self-assessment of their health on regular basis. Our policy mandates that anyone feeling unwell must prioritise their recovery by staying home. Our infection prevention strategy is grounded in compliance with prevailing government guidelines and reflects our unwavering dedication to community health. We have implemented a comprehensive



disease prevention protocol suited to our diverse work environments. This includes the provision of appropriate personal protective equipment and regular health and safety audits.

To reduce the risk of transmission within our workspaces, we have instituted several structural and procedural changes. These include adjusted seating arrangements in offices, cafeterias, and conference rooms, installation of droplet-blocking partitions, and strict adherence to physical distancing in common areas. In response to the evolving public health landscape,

we are strong advocates of immunisation as a critical preventative measure against infectious diseases. In the past, we initiated successful workplace vaccination drives, which extended to our employees and their families, protecting tens of thousands in our community.

As we look to the future, we remain steadfast in our commitment to uphold the health and safety of our Crown Paints community, continually adapting our policies to meet new challenges and safeguard our collective well-being.

## Empowering Employees through Guidance and Counselling Services

**At Crown Paints, we are deeply committed to the mental and emotional well-being of our employees, recognizing that a balanced and healthy mindset contributes significantly to productivity and satisfaction at work. With this in mind, we have instituted Guidance and Counselling services as a crucial pillar of our comprehensive employee support structure.**

Our Guidance and Counselling services offer employees a confidential and safe space to seek advice and express concerns, whether they be work-related or personal. This platform provides access to professional counsellors who offer expert guidance and help our employees navigate life's challenges, fostering resilience and personal growth.

The services extend beyond individual counselling sessions and encompass group workshops and seminars, focusing on stress management, conflict resolution, work-life balance, and mental health awareness. Furthermore, these services act as an essential feedback mechanism, helping us recognize organisational patterns and trends in mental and emotional health, which inform our broader HR strategy and policy development.

"From my perspective as the company counsellor, I've seen firsthand how these services have provided support to employees dealing with a wide range of personal and professional issues. Whether it's navigating the challenges of work-life balance, managing stress, or dealing with personal matters, our team is here to provide confidential, empathetic support. The feedback we receive is that the services we offer often help individuals gain a fresh perspective, leading to problem-solving strategies and positive changes in their lives. This initiative reaffirms Crown Paints commitment to caring for the well-being of our employees beyond just their professional lives."

***-Juliet Jelagat, Counsellor***





# PRODUCT & PROCESS OPTIMIZATION

## Why It Matters

We consistently strive for product excellence through rigorous optimization initiatives. Our commitment to research and development allows us to stay at the forefront of paint technology. By investing in cutting-edge materials and innovative formulations, Crown Paints continuously enhances the performance and durability of our products.

Customer feedback is another crucial aspect of our product optimization strategy. By actively engaging with consumers and industry professionals, we gain valuable insights that inform product refinements, ensuring that our paints and coatings cater precisely to customer needs and expectations. Moreover, we remain dedicated to sustainability, exploring eco-friendly alternatives and reducing VOC levels to minimise our environmental impact.

What	How	Achievements
 <p>Research and Development</p>	<p>Investing in research and development is crucial to continuously improve product formulations. At Crown Paints, we have greatly invested in R&amp;D to identify new and better raw materials, additives, and technologies that can enhance paint performance, durability, and eco-friendliness. For instance, we have also collaborated with research centres to produce low VOC paint ranges.</p>	<p>Through research and development, we have managed to have eco-friendly products. Enhanced the adoption of circular economy into our operations through activities such as recycling 4000l of wastewater daily as well as 850Kgs of tins/month in the FY 2022/23.</p>
 <p>Sustainable Procurement</p>	<p>To ensure transparency within our supply chain, we have mapped the entire supply chain to identify our key suppliers and ensure transparency regarding the origin of raw materials and production processes. We have a supplier code of conduct which outlines the ethical, environmental, and social standards expected from our suppliers. To demonstrate our commitment to responsible procurement, we are ISO 14001:2015 Certified.</p>	<p>Diversification of supply chain based on gender and youth- Crown Paints awarded 10% more contracts to minority and women-owned businesses. Our target is to increase the percentage of contracts awarded to minority and women-owned businesses by 20% by the end of FY 2024. Digital procurement solutions.</p>

What	How	Achievements
 <p><b>Quality Assurance and Risk Management</b></p>	<p>We are implementing robust quality management systems within our factories to identify defects, reduce waste, and improve overall efficiency. We have also put an emphasis on upholding quality and safety, which are integral components of our Codes of Conduct. The essential principles of our quality assurance are clearly delineated in our company policies. To ensure robust promotion of quality governance, we are enhancing our organisational structure to prioritise the safety and well-being of our valued customers. We are offering regular training programs to all employees, covering a wide range of topics from basic quality &amp; safety practices to specific procedures for handling hazardous substances. This education helps our employees understand the risks associated with their work and how to manage them effectively.</p>	<p>During the fiscal year 2022/23, Crown Paints prioritised comprehensive safety measures in the design and monitoring of its products and services. Commissioned annual waste audits to enhance waste minimization. Conducted routine external audits related to product safety. Provided various forms of training and education on quality assurance and risk management.</p>
 <p><b>Client satisfaction</b></p>	<p>We have adopted a customer-centric approach in all aspects of our business, from listening to our customer feedback, understanding their needs, to tailoring the products and services accordingly to fit their needs. Our employees are fully trained to deliver exceptional customer service. Part of the training includes how to promptly address customer inquiries, concerns, and complaints. Ensure on-time delivery of orders. We are implementing efficient logistics and distribution.</p>	<p>In FY 2022/23, we demonstrated a digital revolution in terms of customer satisfaction by enhancing access to online buying of our products. We also held successful forums with our employees to train on how we can improve on client satisfaction.</p>

### Priorities for FY 2023/24:

- Increase funding for research and development activities by 20% from the previous fiscal year's budget by the end of FY 2024
- Implement digital procurement solutions across 100% of our procurement processes by the end of FY 2024.
- Achieve 100% completion rate for external product safety audits in FY 2024. Provide quality assurance and risk management training to at least 90% of our employees by the end of FY 2024.
- Achieve a 10% improvement in client satisfaction scores by the end of FY 2024, based on feedback from customer satisfaction surveys. Hold at least 2 employee training forums per quarter in FY 2024 to focus on improving client satisfaction.



If you like it...Crown it!



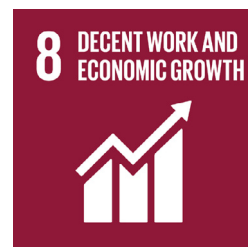
# VALUE CREATION









## Alignment to SDGs

Crown Paints is dedicated to promoting sustainable development through our operations and practices. As a member of Kenya's manufacturing sector, a prominent paint producer and employer in Kenya, we recognize the opportunity to influence the SDGs and contribute to their global efforts.

We believe that the United Nations Sustainable Development Goals (SDGs) provide a framework for organisations like ours to collaborate in order to create a brighter future for all. We have selected the following key SDGs in our sustainability efforts and are actively working to attain them.



UN SDG	SDG Target Alignment with Crown Paints Strategy	Our strategic approach	Our quantified achievements/ commitment
<p><b>3</b> GOOD HEALTH AND WELL-BEING</p> 	<p>Target 3.8- Achieve universal health coverage, including financial risk protection, access to quality essential health-care services. Target 3.9- Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution &amp; Contamination.</p>	<p>Producing high quality zero VOC paints without the potentially unsafe chemical components. Improving access to high quality and standardised health care to employees and their families through access to high quality medical cover. Promoting measures to Prevent the Spread of infectious diseases.</p>	<p>A total of 15 training sessions on HSE across all our group entities in FY 2022/23 successfully implemented ISO 45001 in our operations achieving 100% compliance in FY 2022/23. Implemented wellness initiatives that have reached more than 85% of employees. So far producing 5 zero VoC eco-friendly products. In FY 2022/23 we supported four community health care projects.</p>
<p><b>7</b> AFFORDABLE AND CLEAN ENERGY</p> 	<p>Target 7.2: Significantly increase the use of renewable energy in our operations.</p>	<p>Extending the energy saving initiatives and use of renewable energy to other locations/ group entities. Conducting annual energy Audit and Assessment. Integrating Renewable Energy Infrastructure in all our group entities. Investing in energy-efficient technologies in all our locations.</p>	<p>Increase electricity from renewable sources to a total of 20 % of the total usage. Installed solar-powered security lamps, LED lamps, solar water heaters and variable speed drives on major high power rated machines within our factories.</p>
<p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p> 	<p>Target 8.5: Achieve full and productive employment and decent work for all.</p> <p>Target 8.7: Take effective measures to eradicate forced labour, end modern slavery and eliminate child labour in all its forms.</p>	<p>Promoting a diverse and inclusive work environment that values employees' differences, providing equal opportunities for all. Monitor workforce gender parity to tackle existing discriminatory practices. Fair Wages and Benefits- Full-time employees receive wages above minimums, with regular competitive reviews.</p>	<p>By the end of FY 2024, aim to increase diverse group representation in executive roles by 10%.</p> <p>Regular DEI workshops which increased employee participation by 11%.</p>

UN SDG	SDG Target Alignment with Crown Paints Strategy	Our strategic approach	Our quantified achievements/commitment
<p><b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 	<p>Target 9.2: Promote inclusive and sustainable industrialization and, by 2030, raise industry's share of employment and gross domestic product.</p> <p>Target 9.b: Promote domestic technology development, research, &amp; innovation in developing countries &amp; ensure favourable policies for industrial diversification and commodity value addition.</p>	<p>Collaborating with research centres to produce low VOC paint ranges.</p> <p>Leveraging digital solutions to enhance eco-friendly Product Development</p> <p>Investing in energy-efficient technologies, optimising resource usage, and adopting responsible waste management strategies.</p>	<p>Targeting a 20% increase in investment in advanced technology for better tracking and management of hazardous waste.</p>
<p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 	<p>Target 12.2: Achieve the sustainable management &amp; efficient use of natural resources.</p> <p>Target 12.4: Responsible management of chemicals and waste.</p> <p>Target 12.5: Reduce waste generation through prevention, reduction, recycling, and reuse.</p> <p>Target 12.6: Adopt sustainable practices and sustainability reporting.</p>	<p>Investing in energy-efficient technologies, optimising resource usage, and adopting responsible waste management strategies</p> <p>Waste minimisation</p> <p>Expanding our recycling efforts by identifying opportunities to reuse or recycle waste materials.</p> <p>Adopting sustainability reporting using the GRI Standards.</p> <p>Disposal Treatment</p> <p>Incorporate explicit labelling that provides guidance on the appropriate disposal method.</p>	<p>Increase reuse and recycling initiatives by 30% by 2025.</p> <p>Producing 5 zero VoC eco-friendly products reducing Water consumption by 20% by 2025 and achieve zero effluent water discharge by 2030.</p> <p>Treat approximately 4000 litres of water daily.</p> <p>Harvesting rainwater to complement the current water supply.</p>
<p><b>17</b> PARTNERSHIPS FOR THE GOALS</p> 	<p>Target 17.6: Knowledge sharing and cooperation for access to science, technology, and innovation.</p> <p>Target 17.7: Promote sustainable technologies to developing countries.</p>	<p>Collaborating with research centres to produce eco-friendly products.</p>	<p>Targeting a 20% increase in investment in advanced technology.</p>

# HIGHLIGHTS OF SUSTAINABILITY PROJECTS

At Crown Paints, we firmly believe in the power of collective action and collaboration for the betterment of our communities. We see corporate responsibility not as an obligation, but as an opportunity to make meaningful contributions to the communities in which we operate. This section of our sustainability report highlights our commitment to creating sustainable, inclusive, and empowered communities. It provides an overview of the initiatives we have implemented in recent years, ranging from supporting education and health care to enhancing public spaces and contributing to public health campaigns. Each project reflects our dedication to positive change, demonstrating how we are integrating sustainability into every aspect of our business. We are proud to share these stories with you, and we hope they inspire further action and collaboration for a more sustainable future.

## Crown Your Art Competition

The transformative power of art cannot be overstated, particularly for children. It encourages creative thinking, fosters self-expression, and builds self-esteem. Recognizing this, Crown Paints Kenya PLC sought to nurture young artistic talent through the Crown Your Art competition. Taking place between January and May 2022, this exciting initiative saw the participation of budding artists aged between 6 and 15 years from across Kenya. In a vibrant display of creativity, the young participants took to the canvas, pouring their dreams, aspirations, and reflections of their world into their art.

The triumphant culmination of the competition was held at Crown Paints Kenya's head office, located on Likoni Road Industrial Area. The winners – Moses Kahindi from Misufini Primary School in Mariakani, Jibril Mohammed from Oljogi Primary School in Laikipia North, and Alex Omondi from Valley Bridge Primary in Mathare – received their awards in the presence of Group Human Resource Manager, Nicholas Wanambisi. But the day had more in store. These budding artists and their families were given a unique opportunity to learn about the science of colours, as they were guided through the paint production process at the factory on Mogadishu Road. This enlightening tour provided them firsthand insight into how their tools of creation – the paints – were made.

To end the day on a high note, the pupils, accompanied by their parents, headteachers,

and art teachers, enjoyed lunch with Group CEO Dr. Rakesh Rao at the Ole Sereni Hotel, highlighting Crown Paints commitment to fostering personal connections with the communities they serve.

The Crown Your Art competition was more than just a contest – it was an investment in the future. As part of the awards, the top three students received school fees and uniforms, relieving some of the educational burden off their families. The schools themselves were not left behind. They were gifted sports kits, promoting physical education and teamwork among students.

Led by the CSR/Sponsorship division under the Marketing department, this initiative positively impacted young students across Kenya. The project not only encouraged artistic creativity but also ensured sustainable, real-world benefits for the children and their schools. This is a testament to Crown Paints Kenya's commitment to investing in the youth, fostering creativity, and promoting sustainable community development.





## Revitalising Nyeri Hospice

The physical environment in which patients receive care plays a critical role in their healing process. Recognizing this, Crown Paints Kenya PLC embarked on a project to revitalise Nyeri Hospice's Old Wing, turning it into a more inviting, hygienic, and safe place for patients and caregivers.

The initiative, launched in March 2023, involved repainting the hospice using Crown's Medical Antibacterial paint. This specialised paint not only enhanced the aesthetics of the hospice but also offered antibacterial properties, crucial in healthcare settings. The newly painted wing provided a positive, uplifting environment for patients facing life-limiting illnesses such as cancer and other non-communicable diseases, contributing to their overall well-being.

But Crown Paints support for Nyeri Hospice went beyond the paint job. The company also donated medical protective gear, underlining its commitment to the safety of both the hospice's patients and the dedicated staff and volunteers

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But Crown Paints support for Nyeri Hospice went beyond the paint job. The company also donated medical protective gear, underlining its commitment to the safety of both the

hospice's patients and the dedicated staff and volunteers Senior Area Sales Manager Morris Maina and Finance Director Patrick Mwati presented the donation on behalf of Crown Paints. The hospice's Chairman, Tarsen Sembhi, and CEO Stephen Musya warmly welcomed this generous act of corporate social responsibility.

Through this initiative led by the Marketing-CSR/Sponsorship division, Crown Paints Kenya has made a significant impact on the lives of the patients, staff, and volunteers at Nyeri Hospice. By providing a more hygienic and uplifting environment and ensuring safer patient care through the donation of PPEs, Crown Paints Kenya continues to strengthen its commitment to sustainable community development and social responsibility.



## The Malindi Marathon

Crown Paints Kenya PLC prides itself on partnerships that go beyond business collaborations and actively contribute to making a difference in the community. This commitment was in full display in November 2022, when the company partnered with Rhagib Stores to support the Malindi Marathon.

This annual event, organised by the Rotary Club of Malindi, serves as a dynamic platform to raise funds for critical societal needs. Marking the club's 32nd charter anniversary, the marathon was aimed at supporting education bursaries and accelerating polio eradication campaigns.

Set against the stunning backdrop of Buthwani Gardens Malindi, the Malindi Marathon brought together athletes, community members, and corporate partners for a shared purpose. Their collective efforts generated vital funds that went towards bolstering education opportunities for needy students and intensifying efforts to eradicate polio, a crippling and potentially fatal disease.

Crown Paints Head of Sales Mr Bhavesh Gandhi hands over a cheque to Executive Director Mr Nurudeen Raghieb of Rotary Club of Malindi. The donation will go towards the Club's Polio Eradication Campaign and Education Bursary Fund.

The impact of Crown Paints Kenya's involvement was far-reaching. By supporting the marathon, the company helped ensure the event's success, which in turn resulted in significant contributions towards the targeted causes. Furthermore, by associating with this public health initiative, Crown Paints Kenya underscored its dedication to promoting health and education in the communities where it operates. Led by the Marketing-CSR/Sponsorship division, the Malindi Marathon initiative is yet another example of how Crown Paints Kenya integrates sustainability and community support into its business model. In addition to reinforcing the company's commitment to the fight against polio and supporting education, it also demonstrated the power of collaboration in achieving common community goals.

"I had the honour of attending the Malindi Marathon event in November 2022. It was truly inspiring to witness the power of collective action towards a shared goal. Seeing individuals, community members, and corporate partners coming together to support such critical causes like education bursaries and polio eradication was a vivid reminder of the kind of impact we can have when we collaborate. Crown Paints Kenya, in partnership with Rhagib Stores, is proud to have played a role in this phenomenal event. Our support goes beyond business - it is about enabling positive change and nurturing sustainable communities. As we look ahead, we're committed to deepening our engagement with initiatives that positively impact society and contribute to the overall well-being of our communities."

- Mr Bhavesh Gandhi, Head of Sales



## Revitalising Kibos School for the Blind

Crown Paints Kenya PLC, in a remarkable show of corporate collaboration, joined forces with the leading regional low-cost airline Jambojet in February 2023.

This strategic partnership was formed with a shared vision: to make a meaningful difference in the lives of the visually impaired students of Kibos School for the Blind in Kisumu.

A beacon of hope for over 200 visually impaired students, Kibos School for the Blind, established in 1960, required a much needed facelift. Both Crown Paints and Jambojet recognized the school's crucial role in providing quality education to this special group of students, and hence, committed their resources to rejuvenating the school's infrastructure.



Crown Paints took the lead in this initiative by providing both the paint and the manpower necessary to repaint 9 of the school's structures. The project targeted 16 buildings, including 12 classrooms, an administration block, a dining hall, an assembly hall, and the gate, transforming them into uplifting spaces conducive for learning and teaching.



This initiative builds on the ongoing support from Jambojet, which has been aiding the school since 2020 by providing essential learning aids such as braille machines, printers, and braille paper. By combining their strengths, Crown Paints and Jambojet managed to create an environment that not only caters to the special needs of the students but also fosters their growth and development.

The outcome of this collaborative effort, spearheaded by Crown Paints Marketing-CSR/Sponsorship division, was nothing short of transformative. The facelift brought about a positive ambience that resonated with the pupils, their parents, and teachers. This aesthetic upgrade has a direct impact on the morale and motivation of all those involved in the school, reaffirming the power of collaborative efforts in driving positive change.

This project stands as a testament to Crown Paints commitment to promoting inclusive education and creating sustainable communities, further underscoring the company's values of partnership and social responsibility.



## Supporting Cerebral Palsy Space

In a world often overwhelming for those living with disabilities, organisations like Cerebral Palsy Space (CPS) provide much-needed relief, support, and community for those affected by cerebral palsy (CP).

Recognizing the invaluable work done by CPS, Crown Paints Kenya PLC extended a helping hand through its Valentine's Day initiative, appropriately named "Gift of Love."

On 14th February 2022, the Crown Paints Team journeyed to Dandora Phase 1, Nairobi, carrying a donation of diapers for children living with CP. These essential items represented more than just a basic need; they were a symbol of comfort, dignity, and love for over 100 children supported by CPS.

Crown Paints donation was not merely a corporate responsibility exercise; it was an act of love and empathy, acknowledging the daily struggles these families face. The "Gift of Love" initiative gave tangible expression

to the company's commitment to social responsibility, enhancing the quality of life for these children.

This project, managed by Crown Paints Marketing division, highlights the company's dedication to serving marginalised groups within the community. By providing essential support to CPS, Crown Paints Kenya PLC not only delivered comfort and dignity to children living with CP but also fostered an atmosphere of inclusivity and compassion in the wider community.

CPS, a community-based organisation founded in 2016, started as a support group comprising twenty parents of children with CP. Their mission has grown over the years, as they strive to create an enabling environment for these children and their families.





# FUTURE OUTLOOK

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Crown Paints understands the significance of balancing expansion and profitability with environmental and social concerns. We are mindful of the macroeconomic indicators that indicate instability in our region, which forces us to prioritise profitability and cash flow while also implementing sustainable actions.

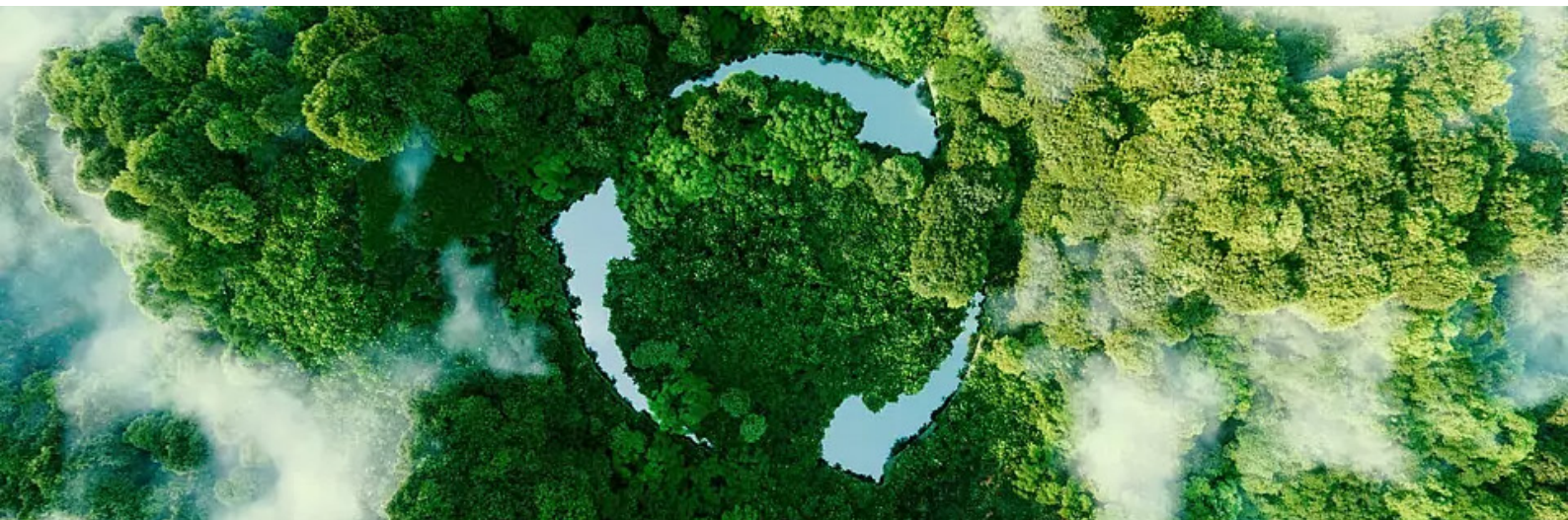
The growing cost of manufacturing, which threatens our profit margins, is one of the issues we confront in preserving profitability. To solve this, we take a sustainable strategy by working with our raw material sources. We collaborate to discover pricing strategies that benefit both sides through partnerships and open communication. Furthermore, we strive to make our systems and applications cost-effective, efficient, and successful in decreasing waste. We cut expenses while simultaneously reducing our environmental effects by minimising waste and optimising our procedures.

We are also conscious that the changing cost of living and inflation have impacted our consumers' purchasing ability. To counter this, we adopt a proactive approach to market monitoring and carefully pursuing growth prospects. We can respond with new solutions by constantly tuning in to our clients' shifting requirements and expectations. Our organisation's core slogan is innovation, which allows us to produce goods and services that satisfy our clients' changing needs while minimising



our environmental impact.

In conclusion, we want to express our gratitude to all our stakeholders for their continued support. We recognize that sustainability is a collective effort, and we value the dedication and support of our board members and employees in driving our sustainable practices forward. By focusing on profitability, while incorporating sustainable principles, we strive to create long-term value for our business, society, and the environment.



# GRI CONTENT INDEX

GRI CONTENT INDEX			
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<b>GRI 409: Forced or Compulsory Labor</b>	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Alignment to SDGs	Pg 65
<b>SECURITY PRACTICES</b>			
<b>GRI 410: Security Practices</b>	410-1 Security personnel trained in human rights policies or procedures	-	-
<b>Rights of Indigenous Peoples</b>			

<b>GRI 411: Rights of Indigenous Peoples</b>	411-1 Incidents of violations involving the rights of Indigenous peoples	-	-
<b>LOCAL COMMUNITIES</b>			
<b>GRI 413: Local Communities</b>	413-1 Operations with local community engagement, impact assessments, and development programs	Stakeholder engagement	Pg 29
	413-2 Operations with significant actual and potential negative impacts on local communities	Stakeholder engagement	Pg 29
<b>SUPPLIER SOCIAL ASSESSMENT</b>			
<b>GRI 414: Supplier Social Assessment</b>	414-1 New suppliers that were screened using social criteria	Product and Process Optimization	Pg 62
	414-2 Negative social impacts in the supply chain and actions taken	Product and Process Optimization	Pg 62
<b>PUBLIC POLICY</b>			
<b>GRI 415: Public Policy</b>	415-1 Political contributions	-	-
<b>CUSTOMER HEALTH AND SAFETY</b>			
<b>GRI 416: Customer Health and Safety</b>	416-1 Assessment of the health and safety impacts of product and service categories	Product and Process Optimization	Pg 62
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	-	-
<b>MARKETING AND LABELLING</b>			
<b>GRI 417: Marketing and Labelling</b>	417-1 Requirements for product and service information and labelling	Hazardous substance management	Pg 42
	417-2 Incidents of non-compliance concerning product and service information and labelling	-	-
	417-3 Incidents of non-compliance concerning marketing communications	-	-
<b>CUSTOMER PRIVACY</b>			
<b>GRI 418: Customer Privacy</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	-	-

**Note:**

At Crown Paints, we are committed to upholding the highest standards of transparency and accountability in our sustainability reporting. In our pursuit of accurate and comprehensive disclosure, we acknowledge that certain data points may be either missing or not applicable due to various reasons.

Missing data in our GRI Index is approached with diligence and a commitment to continuous improvement. We recognize the importance of providing stakeholders with a clear understanding of the scope and limitations of our sustainability reporting.

We remain steadfast in our commitment to providing accurate and meaningful information that enables informed decision-making and contributes to our collective journey towards a sustainable future.





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