



If you like it...Crown it!

Crown Paints
Sustainability Report
2023



PAINTING
A GREENER TOMORROW

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



Table of Contents

1. ABOUT CROWN PAINTS KENYA PLC	5
Who we are	5
Our Subsidiaries	6
Our Products and Services	7
Purpose Strategy	10
Achievement Roadmap	11
2. MESSAGES FROM THE LEADERSHIP	14
Message from the Board Chair	14
Message from the Group Chief Executive Officer	15
3. SUSTAINABILITY OVERVIEW	16
Approach to Reporting Key ESG Topics	16
Crown Paints 2030 Targets	22
4. STAKEHOLDER ENGAGEMENT	25
Key Stakeholder Concerns	26
Organization's Response	29
5. MATERIALITY PROCESS	31
Materiality Assessment	31
Materiality Matrix	32
Material Topics	32
6. SUSTAINABILITY PILLARS & HIGHLIGHTS OF 2023 PERFORMANCE	34
Environmental Stewardship	34
People and Culture	34
Empowered Communities	34
Product Innovation & Process Optimization	36
Responsible Governance	36
Highlights of Crown Paints 2023 Performance	37
7. ALIGNING TO SDGs	70
Future Outlook	74
8. GLOSSARY OF TERMS	76
9. PERFORMANCE DATA SHEET	77
10. GRI CONTENT INDEX SHEET	79

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.



About Crown Paints Kenya Plc

Who We Are





Crown Paints, hailed as the premier paint manufacturer in East Africa, is renowned for its distinct approach, specializing 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 computerized tinting equipment in the market, capable of dispensing over 10,000 colors in mere minutes. This cutting-edge technology affords our clients an unparalleled selection of colors 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.

Our Subsidiaries

These group subsidiaries operate under the umbrella of our company, sharing our values and dedication to promoting sustainable practices in the paint industry.

-  Crown Paints Kenya PLC & Crown Paints Allied Industries Ltd
-  Regal Paints Uganda Ltd
-  Crown Paints Rwanda Ltd.
-  Crown Paints Tanzania Ltd.



Our Products and Services

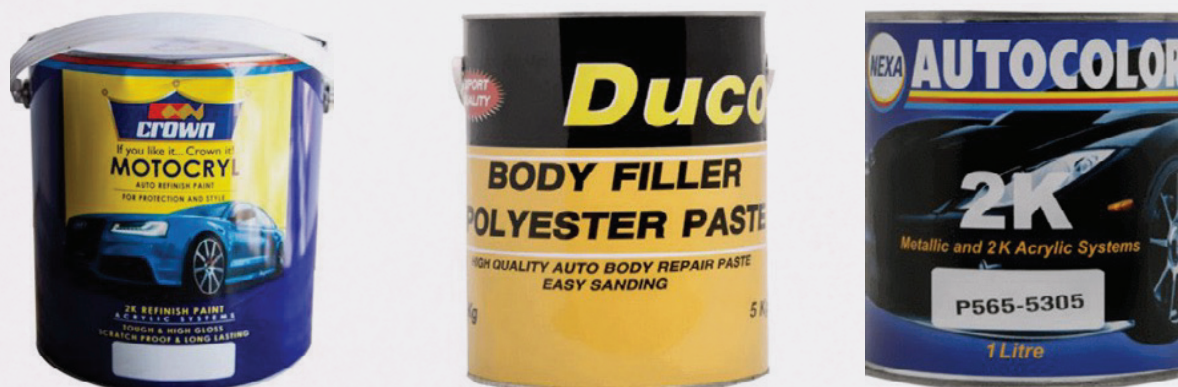
Decorative Paints

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 computerized 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 color's), and fast dry nitro cellulose systems are examples of these.



Our Products and Services

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.



Our Products and Services

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

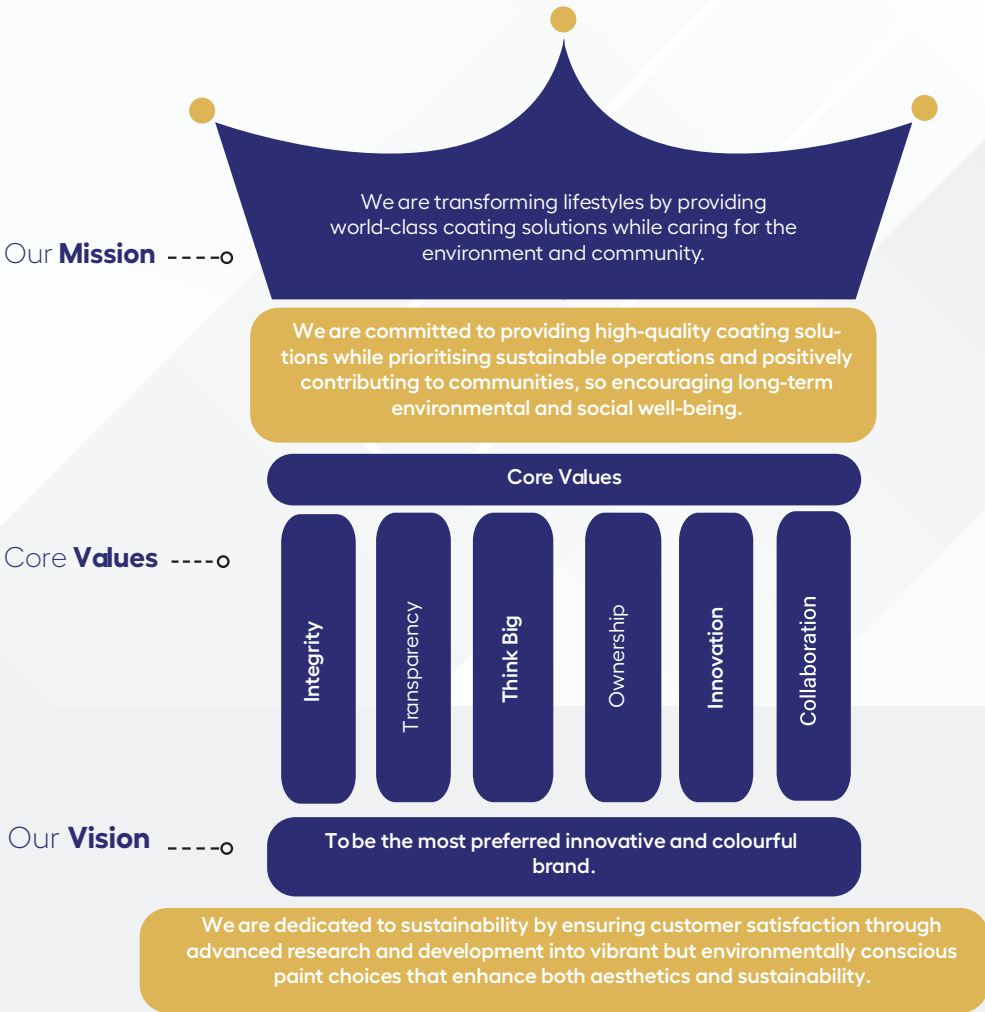
Crown Paints is extremely proud of its illustrious history. We have over 65 years of experience, expertise, and talent that goes into every tin of paint we make.

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 optimizing resource utilization and minimizing waste formation.

By fostering a secure, inclusive, and diverse workplace, interacting with local communities, and funding educational programmes, we emphasize 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.



Key Achievements



Voted Kenya's No. 1 Eco-Conscious Manufacturing Excellence Leader



Team Kubwa Program



Innovation and Productivity Winner, Employer of the Year Award 2023



Top 25 corporations and organizations leading in Social Responsibility in 2023



2nd Runners-Up, Overall Employer of the Year Award 2023

Key Achievements

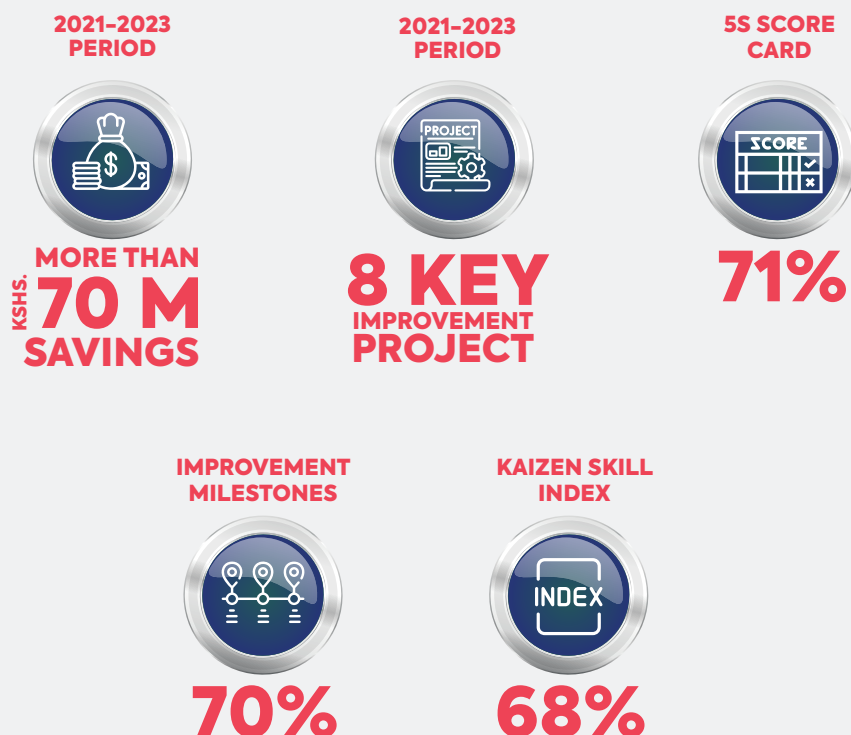
Kaizen

Crown Paints Kenya plc and her subsidiaries have implemented Kaizen and six sigma initiatives focusing on concepts like 5S, standardization, waste reduction, stakeholders' involvement, Value stream mapping, inventory management, Total flow management tools, TPM, 7 quality control tools etc.

We have experienced benefits including increased productivity, reduced operational costs, improved product quality, enhanced employee engagement, improved inventory management, process improvement and reduced variations. Sustenance of kaizen culture has been enabled through internal kaizen school (training Staff, painters, dealers, collages etc),

Additionally, these improvements support Crown Paints' ESG sustainability strategy by reducing environmental impact, creating a safer and more engaging workplace, and strengthening process transparency and ethical practices. Integrating Kaizen aligns with the company's commitment to sustainable business practices.

Key measurements:



Triple ISO Certification



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

Crown Paints Kenya PLC is the first paints company to achieve this prestigious IMS certification in East Africa.

The recertifications validate and reaffirms the company's manufacturing and distribution processes in meeting international standards.

The scope of the recertification covers all the Crown Paints Depots and Manufacturing sites. Crown Paint Kenya PLC's decision to work towards ISO Integrated Management System accreditation demonstrates our commitment to continually improving our products and services. Acquiring ISO IMS reinforces Crown Paint Kenya PLC relentless focus on creating best industry practices in paint manufacturing Crown paints continually invests in improving its integrated management systems by mitigating risks associated with its process both quality, environmental and safety.



Crown Paints Kenya PLC is the first paints company to achieve this prestigious IMS certification in East Africa.

Message from the Board Chair

As we reflect on 2023, I am proud to share Crown Paints' unwavering commitment to sustainability and our collective achievements in environmental, social, and governance areas.

Our journey this year has been guided by our dedication to safeguarding the environment, empowering our communities, and fostering a culture of innovation.

At Crown Paints, we understand that true progress involves integrating sustainability into every facet of our operations. Our commitment to painting a greener tomorrow is embodied in the five sustainability pillars that shape our actions.

We have prioritized eco-friendly practices across our operations, striving to reduce energy consumption, carbon and VOC emissions, and waste generation. We are proud of our increased use of renewable energy within our factories, sustainable raw materials sourcing and use, and water recycling practices.

We are dedicated to cultivating a culture of inclusivity, innovation, and growth. By investing in our employees' well-being and professional development, we promote diversity and collaboration, which are essential to our success and drives our teams to continuously improve. Our deep-rooted commitment to community engagement has seen us allocate significant resources to initiatives that positively impact lives within areas and locations where we operate and beyond. Our focus on environmental and educational programs continues to foster sustainable development and empower people within the communities we serve.

Being the Leader in the industry in sustainable products development, we consistently deliver advanced, high-quality products that meet stringent environmental standards and safe to use.

Our innovative solutions cater to the evolving needs of our customers and desire to prevent any further damage to the planet.

As we uphold the highest standards of corporate governance, we ensure ethical practices, transparency, and accountability in all our operations. This commitment to responsible governance is integral to our long-term success and sustainability.

Throughout the year, we have extended our support to vulnerable groups and other deserving members of society by providing essential items and supplies. We take immense pride in beautifying and upgrading various institutions such as schools, police stations, children's homes, and hospitals across the country; as inscribed in our corporate mission, "transforming by providing world-class coating solutions while caring for the environment and community"

As we move forward, Crown Paints remains steadfast in our mission to enrich communities, promote sustainability, and elevate lifestyle. We are committed to continuing our efforts to reduce our environmental footprint and foster a positive impact on the world around us. Together, we will continue to paint a greener tomorrow.

Mhamoud Charania
Chairman



Message from the Group CEO

Crown Paints Kenya PLC 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. We are working across climate, waste, water and nature to improve our own environmental impact, enable consumers to reduce their footprint, and help society solve some of the most pressing global challenges. 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.

As an organization, 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 2030 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 organization.

We are committed to an equal, diverse and inclusive organization and culture; one which brings forth the best ideas and innovations needed to win with consumers and customers and for each other. We do this best when we have a pipeline of outstanding and diverse talent at every level and an environment that supports each of us in being our full and authentic selves. Externally, we support equality and inclusion efforts with our business partners and in our communities because it is not only the right thing to do, but because it also can improve income and wealth equity for more people, creating more purchasing power, which drives market growth.

Dr. Rakesh Rao
Group CEO

Sustainability Report Overview.

Painting a greener tomorrow

“Painting a Greener Tomorrow,” encapsulates Crown Paints’ overarching commitment to environmental stewardship and social responsibility. With this mantra, Crown Paints Kenya strives to lead the industry towards a more sustainable future by prioritizing eco-friendly product innovation, community engagement, and environmental conservation efforts.

Through initiatives like low VOC formulations, community empowerment programs, and rigorous waste management practices, Crown Paints Kenya demonstrates its dedication to minimizing environmental impact while fostering positive social change.

By embracing this tagline, Crown Paints Kenya not only sets a high standard for sustainable business practices but also inspires others to join the journey towards a greener and more prosperous tomorrow.

Responsibility for our Reporting

At Crown Paints, we believe that transparency and accountability are essential pillars of sustainable business practices. As we prepare our 2023 Sustainability Report, we reaffirm our dedication to responsible reporting, ensuring that our stakeholders receive accurate, comprehensive, and timely information about our environmental, social, and governance (ESG) performance.

Our commitment to responsible reporting stems from our recognition of the significant impact our operations have on the environment, communities, and society at large. By adhering to rigorous reporting standards, we aim to not only demonstrate our progress but also inspire trust and confidence among our stakeholders.

Key elements of our responsibility for reporting in the 2023 Sustainability Report include:

Accuracy and Integrity: We prioritize accuracy and integrity in all aspects of our reporting process. Our data collection methods are transparent, reliable, and subject to robust verification procedures to ensure the credibility of the information presented.

Comprehensive Coverage: We strive to provide a comprehensive overview of our ESG performance, addressing material issues identified through stakeholder engagement and rigorous assessment processes. From carbon emissions reduction initiatives to community engagement programs, we aim to capture the breadth and depth of our sustainability efforts.

Timeliness and Accessibility: Recognizing the importance of timely information, we are committed to publishing our Sustainability Report promptly after each reporting period ends. Moreover, we ensure that our report is readily accessible to all stakeholders through various channels, including our website and other digital platforms.

Stakeholder Engagement: We value the input and feedback of our stakeholders in shaping our reporting practices. Through ongoing dialogue and engagement, we seek to understand their expectations, concerns, and priorities, integrating their perspectives into our reporting framework.

Continuous Improvement: We view sustainability reporting as a journey of continuous improvement. As such, we regularly review and enhance our reporting processes, methodologies, and metrics to ensure alignment with evolving best practices and emerging sustainability trends. By upholding these principles of responsible reporting, we aim to foster transparency, accountability, and trust, laying the foundation for long-term sustainability and value creation. As we embark on the next phase of our sustainability journey, we remain steadfast in our commitment to delivering impactful, transparent, and accountable reporting to all our stakeholders. Together, we can build a brighter, more sustainable future for generations to come.

Team Leader's Take



Responsible Governance David Muriithi-Head of Finance

“ We focused on enhancing transparency, accountability, and ethical practices across Crown Paints. We achieved our targets by implementing robust governance frameworks and comprehensive training programs on compliance and ethical conduct. Moving forward, my team aims to further strengthen our governance practices by integrating advanced Enterprise risk management systems and fostering a culture of integrity at all levels of the organization.

”



Products & Innovation Anil T-Research & Development Manager

“ This year, our team focused on several eco-friendly product lines that were in line with both performance and sustainability benchmarks. These innovations have not only improved customer satisfaction but also reduced our environmental impact. Looking ahead, we plan to expand our research and development capabilities to introduce more groundbreaking products that meet our customers' evolving needs while adhering to the highest sustainability standards.

”



Community Engagement

Pamela Lopokoiyit-Marketing Manager

“ In 2023, we significantly increased our community engagement programs, positively impacting numerous local communities through educational initiatives and environmental conservation projects. We achieved our targets by building strong partnerships with local organizations and stakeholders. We plan to deepen these engagements and expand our community programs to drive greater social impact and foster long-term community development.

”



Occupational Safety & Health

Jairam Visvanathan

“ This year, we ensured that Crown Paints maintained a safe and healthy working environment, achieving significant reductions in workplace incidents and improving overall employee well-being through rigorous safety awareness programs and continuous training. Our future plans focus on enhancing our safety culture through consultations, worker participation programs and proactive risk management strategies to ensure zero harm in all our operations.

”



Human Capital Management & Diversity, Equity & Inclusion

Martin Chisaka -HR & Administration Manager

“ While we ensured that our diversity, equity, and inclusion (DEI) targets are met by increasing workforce diversity and implementing inclusive policies and practices. Here are some ongoing initiatives that require further attention. We've fostered an inclusive culture where every employee feels valued and empowered. Looking ahead, we will further enhance our DEI programs and offer more development opportunities to ensure that Crown Paints remains an employer of choice committed to equity and inclusion.

”



Energy & Emissions, Water & Waste Management

Nancy Kinuthia - Production & operation Manager

“ We achieved significant reductions in energy consumption, greenhouse gas emissions, and waste generation through innovative resource management practices. We are still committed to our track our environmental targets, contributing to our overall sustainability goals. We plan to continue implementing more advanced sustainability technologies and practices to further minimize our environmental footprint and enhance resource efficiency.

”



ESG Head

Jairam Visvanathan

“ I have coordinated our comprehensive ESG strategy, ensuring alignment with global sustainability standards and stakeholder expectations. We have ongoing initiatives that require continued effort, focus and teamwork. We will be continuing to drive our ESG agenda forward, focusing on innovative solutions and collaborative efforts to enhance our sustainability performance and create long-term value for all stakeholders.

Together, our team leaders and Sustainability Champions across the organization have driven significant progress in their respective areas, aligning Crown Paints and its subsidiaries with our sustainability vision and setting the stage for continued success in the years to come.

”

Our Approach To Reporting Key ESG Topics

This 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, coloring a greener future with every brushstroke.

It communicates Crown Paints sustainability pillars, goals, and accomplishments 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.



Guided by our materiality assessment updated once every three years, it provides a balanced, accurate reflection of our Environmental, Social and Governance (ESG) performance, risks and opportunities.

When preparing this report, we referenced the Global Reporting Initiative 2021 Standards and the Nairobi Securities Exchange (NSE) ESG Disclosures Guidance Manual. This report complements information in our Annual Report and Financial Statements published in 2023.

Reporting Boundary

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 and accountability in our sustainability efforts across all relevant entities within our corporate structure.

Reporting Period

This report covers the period from January 2023 to December 2023. We have referred to other periods for comparison purposes.

Crown Paints Kenya Plc 2030 Targets

We set ambitious 2030 goals focused on managing material ESG issues. Our ESG department developed our goals with input from, and approval by, Crown Paint's Executive Committee. Our 2030 goals are structured under five key pillars: environmental stewardship, people & culture, empowered communities, product innovation & process optimization and responsible governance. The 2030 goals reflect how meaningful environmental progress, inclusive social values, and strong corporate governance are at the heart of Crown Paint's operations and success.



PILLARS

MATERIAL TOPIC

2030 GOALS

<p>1</p> <p>ENVIROMENTAL STEWARDSHIP</p>	 <p>ENERGY & EMISSIONS MANAGEMENT</p>	<p>Reduce carbon emissions by 15%</p> <p>Switch 20% of the fleet of vehicles to lower-emission options.</p>
	 <p>WATER MANAGEMENT</p>	<p>Reduce water intensity by 15%</p> <p>Increase investments by 25% towards innovating water-saving techniques</p>
	 <p>WASTE MANAGEMENT</p>	<p>Reduce factory waste by 40%</p> <p>Implement Circular Economy Practices in our supply chain.</p>
<p>2</p> <p>PEOPLE & CULTURE</p>	 <p>HUMAN CAPITAL MANAGEMENT</p>	<p>Increase average employee training hours by 20%</p> <p>Conduct employee engagement survey annually</p> <p>Implement employee welfare initiatives</p>
	 <p>DIVERSITY EQUITY & INCLUSION</p>	<p>Increase women participation in management by 40%</p>
	 <p>OCCUPATIONAL SAFETY & HEALTH</p>	<p>Achieve zero cases of recordable work-related injuries</p>

PILLARS

MATERIAL TOPIC

2030 GOALS

3
EMPOWERED COMMUNITIES



COMMUNITY ENGAGEMENT

Increase community engagement by 40%

Create opportunities for decent work and economic growth by 20%

4
PRODUCT INNOVATION & PROCESS OPTIMIZATION



PRODUCTS & INNOVATIONS

Increase Eco-Friendly Product Portfolio.

increase, by 20% of net sales from products, that offer sustainability benefits to our customers and communities

5
RESPONSIBLE GOVERNANCE



RESPONSIBLE GOVERNANCE

Sound corporate governance practices and policies

Continuously align to certification and standards.

100% of key suppliers assessed against a robust set of sustainability criteria, reflecting environmental, governance and reputational risks, including human rights

Actively involve our stakeholders in decision-making processes

100% of employees trained on Crown Paint's Code of Business Conduct and Ethics

Stakeholder Engagement



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 recognize that valuable ideas, diverse perspectives, and deep knowledge reside within our stakeholders.

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 organizations, and non-governmental organizations (NGOs) are among the stakeholders.

Key Stakeholder Concerns

STAKEHOLDERS	KEY MATERIAL TOPICS	ENGAGEMENT CHANNELS & FREQUENCY	OUTCOMES
Customers	<ul style="list-style-type: none"> Eco-Friendly and Low VOC Paint Quality Sustainable Sourcing Paint Ingredients 	<p>Customer surveys</p> <p>Social media interactions</p>	<p>Improved customer satisfaction, feedback on products/services, identifying customer needs and preferences.</p> <p>Real-time feedback, addressing customer concerns, building brand loyalty.</p>
Employees	<ul style="list-style-type: none"> Safety and Health Training and Career Development Diversity and Inclusion Employee Health and Wellness 	<p>Customer surveys</p> <p>Social media interactions</p> <p>Employee survey</p> <p>Town hall Meetings</p>	<p>Insights into job satisfaction, engagement, and areas for improvement.</p> <p>Open communication, understanding employee concerns, and fostering a positive work environment.</p>
Shareholders & investors	<ul style="list-style-type: none"> Positive Financial Performance Corporate Governance Business Strategy and Long-Term Planning Transparency and Communication Environmental Impact and Sustainability Practices 	<p>Annual General Meetings (AGMs)</p> <p>Investor conferences</p>	<p>Updates on financial performance, business strategy, and addressing investor queries. Presenting company progress, potential opportunities, and addressing investor concerns.</p>
Suppliers	<ul style="list-style-type: none"> Fair and Ethical Sourcing Supplier Diversity and Inclusion Collaborative Partnerships Supply Chain Resilience 	<p>Supplier sustainability reports</p> <p>Supplier workshops</p>	<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 CHANNELS & FREQUENCY	OUTCOMES
Local communities	<ul style="list-style-type: none"> Environmental Impact Safety and Health Employment and Economic Opportunities Social Investments and Philanthropy 	<p>Community consultations</p> <p>Community development projects</p>	<p>Understanding community concerns, feedback on operations, and addressing social and environmental issues. Collaborative efforts on education, infrastructure, and social welfare initiatives.</p>
Government and regulatory bodies	<ul style="list-style-type: none"> Regulatory Compliance Environmental Impact and Emissions Safety and Health Standards Product Quality and Safety Reporting and Transparency Taxation and Financial Reporting 	<p>Regulatory reporting</p> <p>Policy advocacy Engagements</p>	<p>Ensuring compliance with laws and regulations, maintaining transparency. Influencing policy decisions, contributing to industry-related regulations.</p>
Industry Associations	<ul style="list-style-type: none"> Advocacy for Industry Interests Standards and Best Practices Research and Innovation Supply Chain Collaboration Regulatory Compliance Support 	<p>Association events</p> <p>Working groups</p>	<p>Networking, knowledge sharing, and collaborating on industry initiatives. Addressing sector-specific challenges, establishing industry standards.</p>

STAKEHOLDERS	KEY MATERIAL TOPICS	ENGAGEMENT CHANNELS & FREQUENCY	OUTCOMES
Non Governmental Organizations (NGOs)	<ul style="list-style-type: none"> • Environmental Impact • Social Responsibility • Human Rights and Labor Practices • Transparency and Accountability • Impact on Local Communities • Waste Reduction and Recycling 	Collaborative projects	Discussing sustainability efforts, sharing progress, and aligning on social and environmental goals. Working together on community and environmental initiatives.

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.

Employees:

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

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.

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.

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.

Local Communities:

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

Government & Regulatory Bodies:

Regulatory compliance, environmental impact and emissions control, adherence to Safety and Health 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 Organizations (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 organizations to make a positive impact on society and the environment.



Materiality Process

Materiality Assessment

In 2022, Crown Paints conducted a materiality assessment to determine environmental, social and governance (ESG) topics of material concern to our business and stakeholders. The assessment considered stakeholder concerns and experts on sustainability practices. 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.

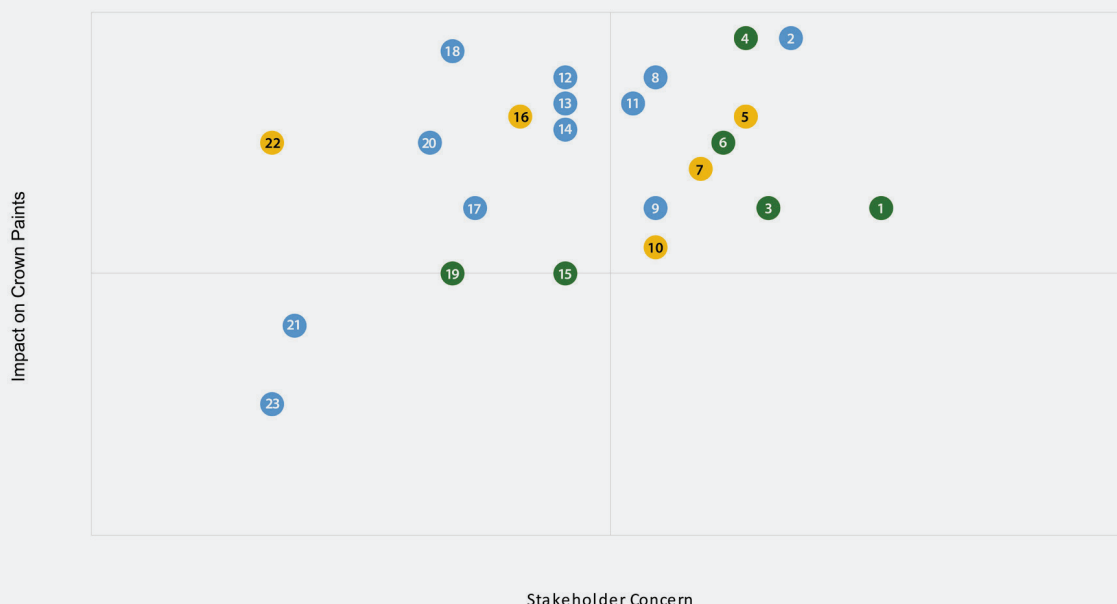
It's not only the diversity of colors in our stakeholder palette that distinguishes Crown Paints; it's our constant dedication to actively interacting with each brushstroke of influence. This deep connection allows Crown Paints to delve deep into the rainbow of viewpoints, obtaining essential insights into our stakeholders' distinct goals and expectations. Through open and honest communication, we engage in dialogue and collectively decide.

This allows us to explore the issues that resonate with our organization'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.

The analysis identified 24 material issues, which were then organized into 9 key material topics. These findings were plotted on a materiality matrix which highlighted all the priority topics based on their importance and impact to our business operations and our stakeholders.

<p>STEP 1 STAKEHOLDER ENGAGEMENT</p>	<p>Crown Paints initiated the process by engaging important stakeholders through methods like surveys, focus groups, interviews, and other forms of communication. This allowed them to understand stakeholder concerns, expectations and perceptions of sustainability challenges.</p>
<p>STEP 2 IMPACT ASSESSMENT FOLLOWING STAKEHOLDER ENGAGEMENT</p>	<p>Crown Paints conducted a comprehensive impact assessment. This assessment evaluated the potential environmental, social, and economic impacts associated with each identified issue. It considered the scale and scope of these impacts on the company’s operations, stakeholders and the broader community.</p>
<p>STEP 3 MATERIALITY EVALUATION</p>	<p>The materiality evaluation considered the significance of sustainability issues in relation to Crown Paints’ primary business objectives. The report prioritized issues that are closely related to the company’s strategy and long-term development plans.</p>
<p>STEP 4 COMPLIANCE WITH REGULATORY & REPORTING STANDARDS</p>	<p>Crown Paints ensured that its sustainability report adheres to relevant regulatory and reporting standards. This step was crucial to align the report with industry best practices and meet the expectations of external stakeholders. Crown Paints sought advice from subject experts with expertise in sustainability. These experts were critical in validating the effect assessment and materiality evaluation conclusions. Their knowledge gave new insights and verified the sustainability report’s integrity and trustworthiness.</p>

Crown Paints Materiality Matrix



ENVIRONMENTAL	SOCIAL	GOVERNANCE	ECONOMICS
1. Water Management	5. Occupational Safety and Health	8. Vision and Sustainability Plan	2. Financial Performance
3. Waste Management	7. Employee Care	10. Ethical Management and Legal Compliance	17. Procurement Practices and Management
4. Hazardous Substances Management	9. Customer Relations Management	11. Corporate Governance	12. Innovation, Research and Development.
ENVIRONMENTAL	SOCIAL	GOVERNANCE	ECONOMICS
6. Energy and Greenhouse Gas Management	16. Talent Attraction and Retention	13. Information Security and Customer Privacy	21. Digital Transformation
15. Air Quality and Emissions	18. Employee Training	14. Risk and Crisis Management	23. Supply Chain Management
19. Climate Change Response	20. Employee Rights and Diverse Equality		
	22. Human Resource Composition		
	24. Community Engagement		

Our Material Topics

- Energy and Emissions Management.
- Water management.
- Waste management.
- Human capital management.
- Diversity, Equity and Inclusion (Dei).
- Occupational Safety and Health
- Community Engagement.
- Product and innovations.
- Responsible governance.



Our Sustainability Pillars and 2023 Performance Highlights



Environmental Stewardship Pillar

At Crown Paints, we are on a mission to transform the paint industry by championing environmental sustainability. We believe we have a responsibility to minimize the energy, carbon, water and waste impacts of our business and recognize that these impacts occur not just in the daily operations of our portfolio but also through our entire value chain. As a responsible corporate citizen, we have pledged our commitment to pollution prevention, effective waste management, and resource conservation.



People & Culture Pillar

We believe that the key to achieving sustainable business success lies in prioritizing 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. We believe people are at the heart of our business and take pride in our outstanding work culture.



Empowered Communities Pillar

Crown Paints strives 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 programs, increasing access to healthcare, and generating possibilities for decent jobs and economic growth are some of our objectives.



Product Innovation & Optimization Pillar

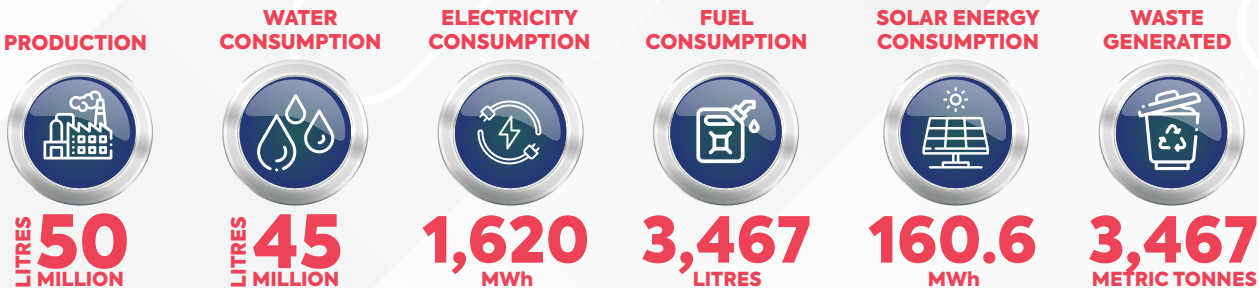
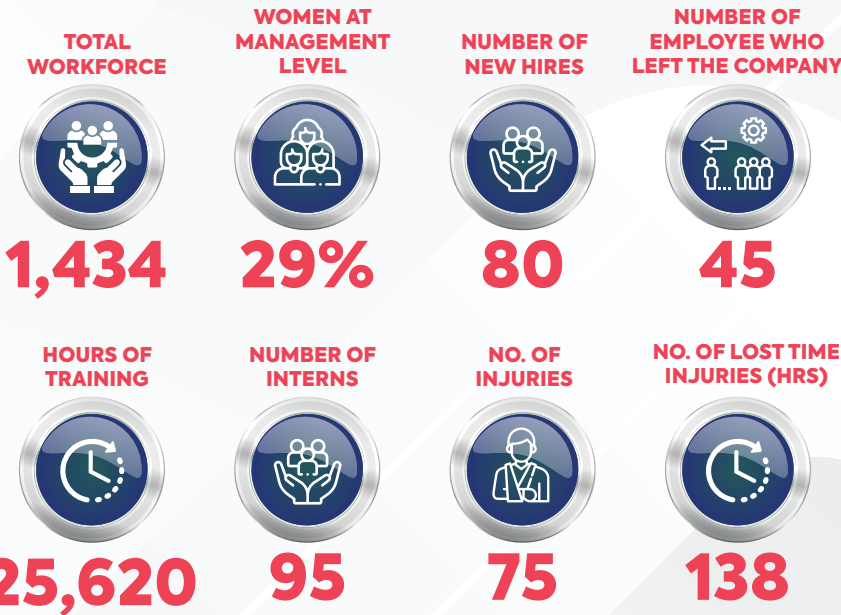
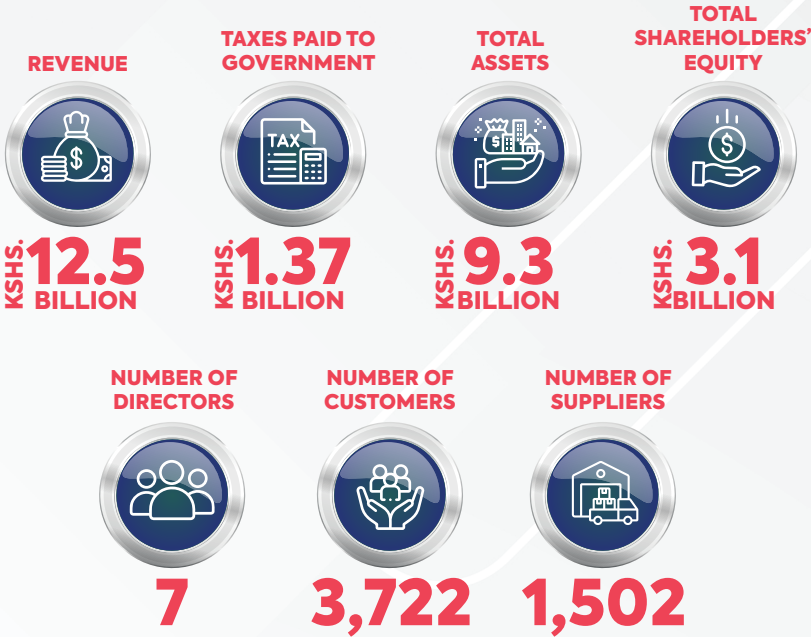
We are on a mission to create a positive impact on the planet. Our dedicated team continuously explores new technologies, materials, and formulations to create paints that are not only high-performance but also eco-friendly. We're determined to make a real difference by leveraging cutting-edge research 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.



Responsible Governance Pillar

The core foundation of how we do business is by embracing transparency and ethical business practices. 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. We develop trust and credibility among our stakeholders, by 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 and human rights adherence.

Crown Paints 2023 Performance Highlights





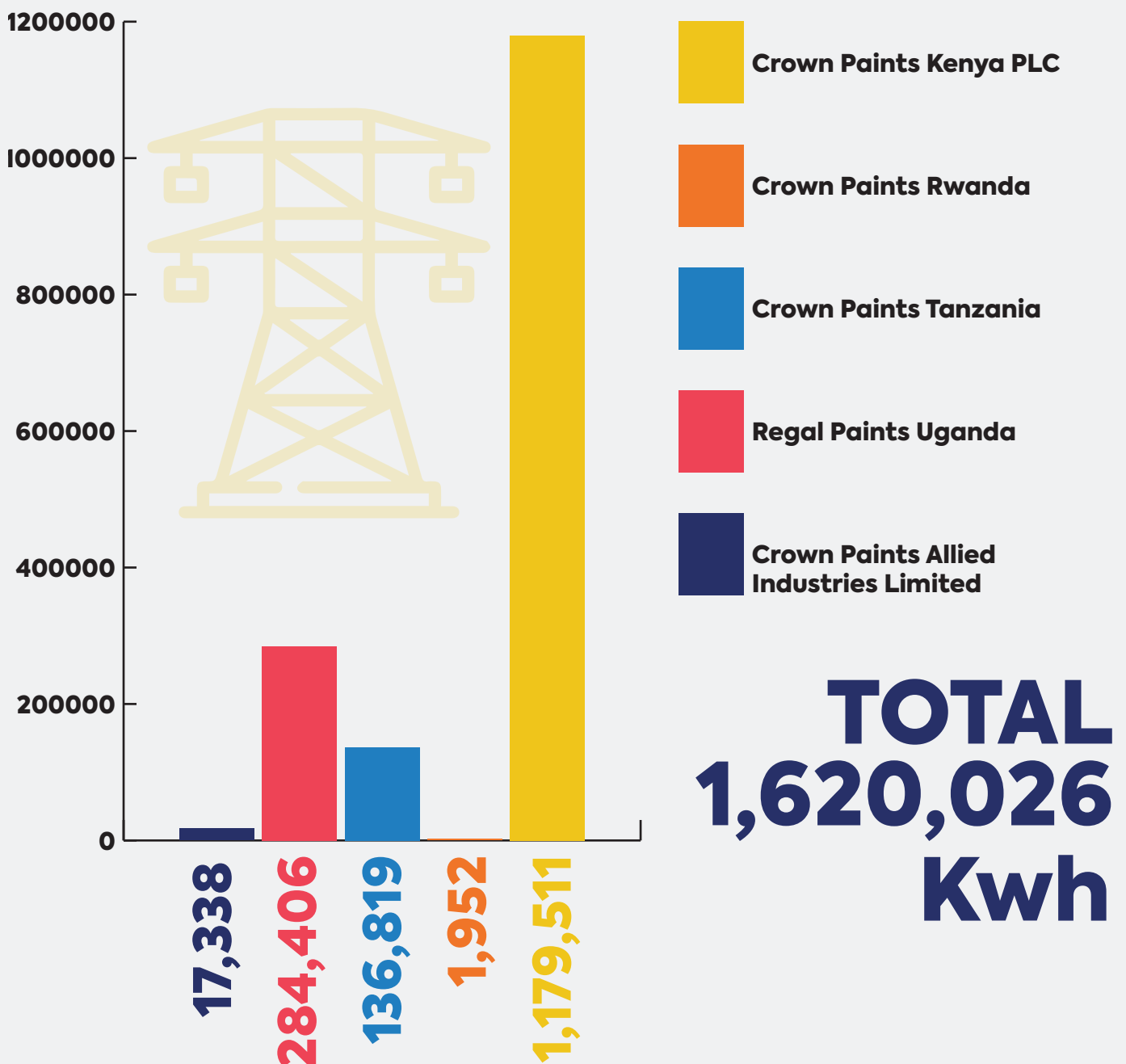
CO₂

ENERGY & EMISSIONS MANAGEMENT

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 utilization 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.

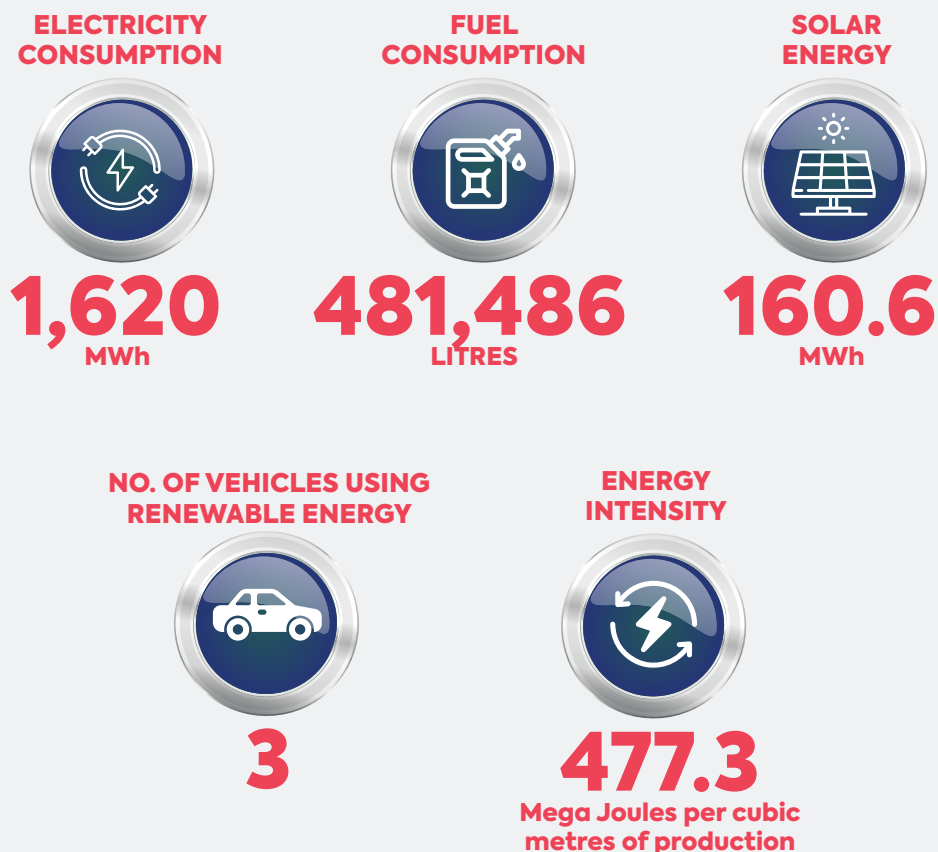
Electricity Consumption Across The Group



Improving energy efficiency - We're improving energy efficiency by upgrading our facilities with energy-saving lighting and incorporating renewable energy sources wherever we can. Crown Paints is committed to reducing our energy-related emissions throughout our operations to minimize our climate footprint, including maximizing efficiency in our operations. Our sites are continuing to find ways to improve energy efficiency in our operations to reduce our total impact on the environment. Our manufacturing sites track energy use at the site level. Energy efficiency and savings is a consideration in our capital projects process. In 2023, we have been able to realize 160.6MWh of solar energy.

Transport related emissions reduction - 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.

Our energy use comes from electricity, diesel and petrol. The energy use in reporting year, 2023, is 18,110,355MJ with the Energy intensity of 477.3 MJ Per cubic meters of production. We have been working to implement energy-saving initiatives in our facilities such as LED light bulb replacement and more efficient machinery. Reducing our energy consumption and switching to renewable sources are primary drivers of our goal of reducing GHG emissions from our operations by 15% by 2030.





WATER **MANAGEMENT**

Water management

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. We are continually looking into enhancing our water efficiency measures as part of our process optimization and re-engineering efforts with the aim of reducing our water consumption and significantly minimizing our effluent water discharge.

Water stewardship - We are implementing water saving measures in our factories, including rainwater harvesting and water recycling systems.

Smart metering - 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.

Community outreach - We are actively participating in community-based water conservation initiatives, reinforcing our commitment to sustainability and resource conservation within the broader community.

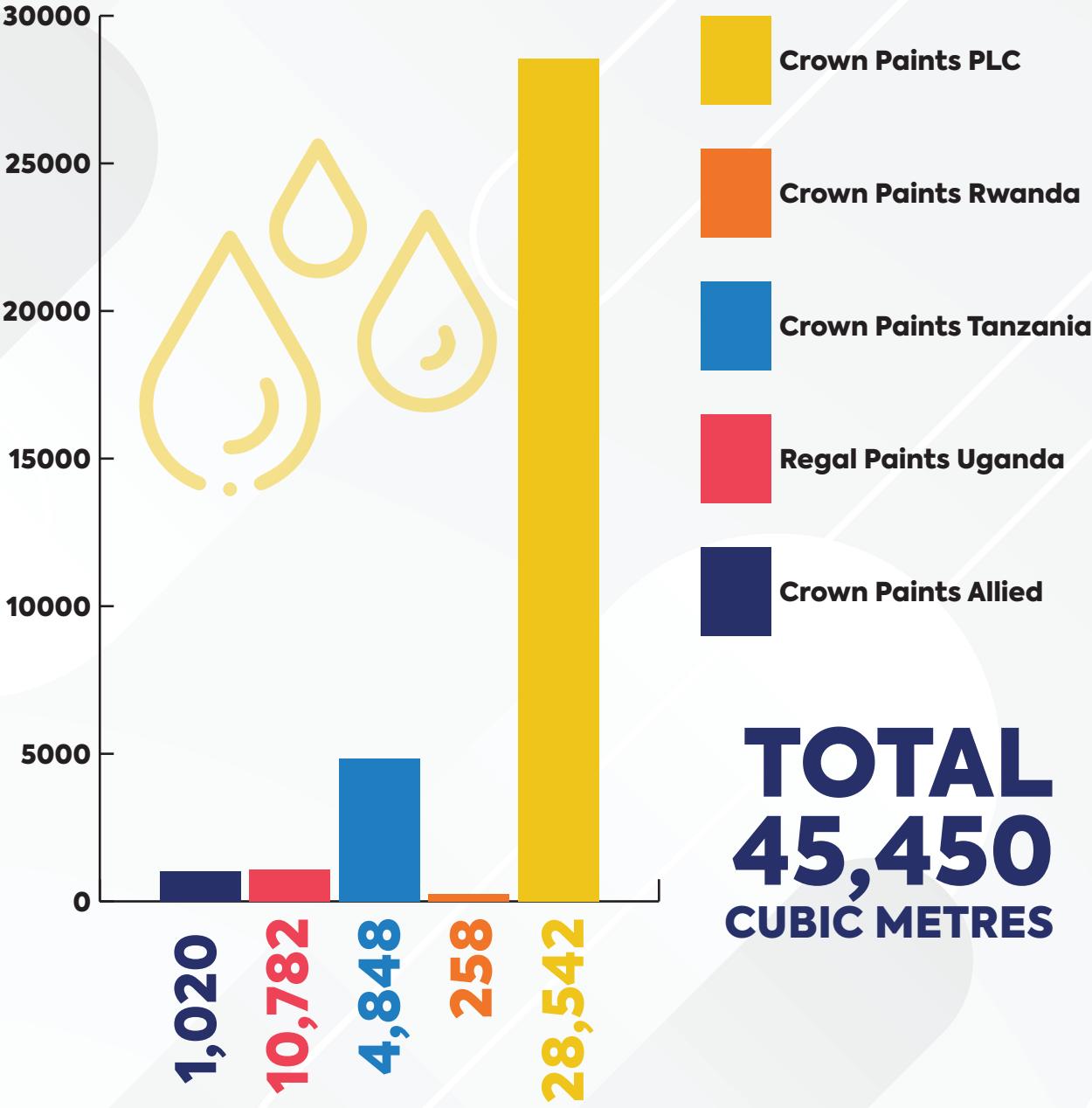
Employee training - We are investing in employee education to promote water saving practices both at work and at home.

We use water in our operations for the manufacture of our products and sanitary use throughout our sites. We are cognizant of our water use everywhere we operate and we monitor water risk assessments to determine which of our facilities may be in areas of high-water stress. In 2023, our water consumption from all sources (purchased municipal water and groundwater wells) for our operations was 45,450 cubic meters. On an intensity basis, our water usage normalized to production was 0.91 cubic meters per cubic meters of production in 2023, a 6.5% reduction from our 2022 baseline.

Water intensity - 0.91 cubic meters per 1,000 litres of production

We have invested in on-site Effluent treatment plant at our manufacturing site at Mogadishu road. This allows us to reduce effluents produced in our manufacturing. Much of the treated water is recycled back into our operations, reducing the amount of water we withdraw from local municipalities. Crown Paints performs water monitoring to track discharge in line with all permit requirements.

Water Consumption Across The Group



**TOTAL
45,450
CUBIC METRES**



WASTE **MANAGEMENT**

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 minimize waste production, promote recycling, and ensure responsible disposal. By prioritizing 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. Carefully managing our materials and processes to reduce waste from operations is an important focus area at our manufacturing sites.

Disposal treatment - 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.

Employee training and community engagement - We run programs that foster a circular economy mindset among our staff, promoting the principles of Reduce, Reuse, and Recycle in the workplace. We're conducting workshops and training programs to foster a culture of waste minimization and recycling among our employees.

Compliance checks - 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. Crown Paint's manufacturing and quality organizations manage the 'right first-time production' program to reduce waste generation from our manufacturing process. Crown Paints ensures compliance with all waste-related regulations, which can vary widely across the different jurisdictions where we operate. As such, we regularly track these compliance obligations and investigate options to reduce the generation of all types of waste and identify beneficial reuse and recycle options.

Sustainable Packaging - We are shifting to ecofriendly packaging alternatives that are recyclable and reduce the environmental impact. 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.



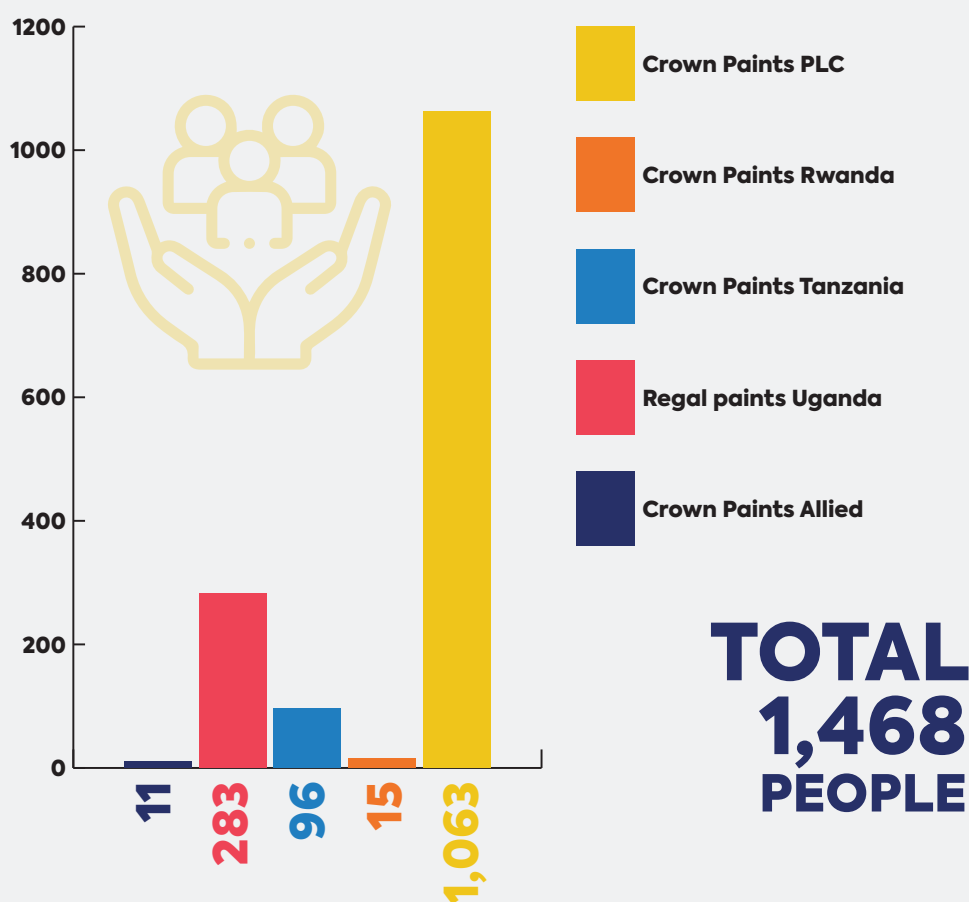


HUMAN CAPITAL MANAGEMENT

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.

No. of Employees Across The Group



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 organizational culture, thereby building a dynamic workforce dedicated to our vision for a sustainable future.

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 organizational 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.

Fair evaluation and compensation - 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.

Talent Development - At Crown Paints people around the world are our greatest asset. Critical to our success is ensuring Crown Paint is a place where employees feel connected to one another and where their career ambitions can thrive. Crown Paints develops strategies and plans related to our human capital; supported and reviewed by the Human Resource department and the Board of Directors and advised by employee feedback.

We focus on the entire employee lifecycle from the attraction of our future talent to creating an engaged and inclusive workforce who can grow their careers with Crown Paints and who are equipped with the right tools to fill our pipeline for the future. 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.

Fostering group-wide Crown Paints culture - Our corporate culture is central to our identity and success. We consistently promote our core values, mission, and vision across all levels of the organization. We organize 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.

Learning and Development - Our comprehensive approach to creating a learning culture delivers meaningful developmental experiences at all levels of the organization. Leveraging scalable content and personalized learning paths, we provide access to learning tools and resources to support the development of all employees. We also created training specific for managers, so our leaders have the skills to drive performance, lead change and develop talent.

HOURS OF TRAINING



25,620

NUMBER OF INTERNS



95



Employees' Children Education Sponsorship Program

Crown Paints Kenya PLC has a magnificent educational support to the employees' children. The program provides financial support for the employees' children who perform exceptionally well in their Kenya Certificate of Primary Education examinations. The scholarship is continuous throughout the Secondary level of education provided that the child maintains an average grade of B plain for all the three terms per year.

Employee engagement

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. Our goal is to Conduct employee engagement survey annually, and achieve participation rates and employee confidence in company follow-up actions.

Employee care

At Crown Paints, we understand the importance of proper nutrition and its impact on overall health and productivity. Recognizing this, we have implemented a subsidized 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 wellbeing of our employees but also contributes to a positive, supportive work environment, demonstrating our commitment to employee welfare.

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.

Diversity, Equity, & Inclusion (Dei)

Cultivating a diverse and inclusive workforce is instrumental to the realization of Crown Paints' 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.

Promotion of 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 a woman on the board of directors and representation of 29% of women in management.

29% Women at management level

Crown Paint's Diversity and Inclusion Policy

Crown Paints Kenya PLC embraces and support our employees' differences in age, ethnicity, gender, gender identity or expression, language differences, nationality or national origin, family or marital status, physical, mental and development abilities, race, religion or belief, sexual orientation, skin color, social or economic class, education, work and behavioral styles, political affiliation, caste, and other characteristics that make our employees unique. Our commitment to diversity and inclusion aligns with our values of People and Respect and is reflected in our Corporate Code of Conduct. The policy outlines Crown Paints commitment to fostering an inclusive and diverse workplace. This include guidelines on non-discrimination, equal opportunity, and respect for all employees.

Promoting gender equality

We were honored to join The Ismaili Kenya community in Kenya, to celebrate International Women's Day, where we discussed the role of innovation, technology, and education in promoting gender equality. The event acted as a powerful reminder of the challenges that women face in our society, but also of the hope and strength that we can draw from each other. We are committed to empowering women and working toward a world in which every woman can reach her full potential.

the.ismaili
KENYA

ISMAILI WOMEN
Leading Women

Achieving Gender Equality

Through Innovation and Technological Change and Education in the Digital Age

YASMIN CHANDANI
*CEO at inSupply Health
An East African health advisory that designs
people-entered, scalable sustainable chains*

and

FARZANA KHUBCHANDANI
*Works for Google, The Google School of Leaders
Previous Head of Android and Brand Marketing
Sub Saharan Africa for Google*

SATURDAY 11 MARCH 2023
11AM - 3.30PM
AT THE CONCORD HOTEL

For tickets and details please contact
0788-307-106 | 0722-920-026 | 0733-515-010
#EmbraceEquity

PARAMOUNT BANK
Enabling You To Reach Your Peak

CROWN PAINTS KENYA PLC

THE CONCORD

International Women's Day

Support towards GBV

We were thrilled to have had the opportunity to support the Ultimate Unique Fashion Exhibition, which was organized to raise funds for the Kenya Women and Children Wellness Centre (KWCW). The KWCW is a vital organization that aims to address gender-based violence (GBV) by educating the public on prevention and response measures, with a particular focus on economic empowerment and safe shelter.



As a company, we firmly believe in standing up against GBV and supporting those who have been affected by it. We understand the powerful impact that color can have in expressing emotions and creating a mood, and we were delighted to see how designers incorporated their unique styles into their creations at the exhibition. We share the KWCW's vision of reducing the risk of GBV reoccurrence by 40% and improving access to GBV services for survivors by at least 20%.



Support for Kenya Women and Children Wellness Centre (KWCW)

Encouraging Supplier Diversity

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.

Embedding DEI in performance metrics

Including DEI-related goals and behaviours in performance reviews to ensure employees and managers are held accountable for supporting an inclusive work environment.

Occupational Safety & Health

The Crown Paints Occupational Safety and Health 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 organization-wide occupational Safety and Health management systems under the direction of our Safety and Health Management Division, which bears the responsibility for promoting Occupational Safety and Health across Crown Paints Kenya & its Subsidiaries. Our primary mission is always incident prevention through proactive programs and processes. However, should an Incident or high potential near miss occur, our formal investigation program uses root cause analysis to help identify and develop broad corrective actions to address the relevant hazards or deficiencies.

Occupational Safety and Health management systems
We are improving our systems for managing workplace Safety and Health, built on international standards – ISO 45001:2018. This involves setting clear policies, outlining responsibilities, implementing control measures, and tracking performance to ensure continuous improvement. We successfully implemented ISO 45001:2018 across all our operations, achieving 100% compliance in 2023.

Occupational Safety and Health risk Assessments

We conduct 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.

Occupational Safety and Health Trainings

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.

Implementing initiatives to improve employee health
Beyond safety measures, we're also launching initiatives to promote general health and wellbeing among our employees. This includes fitness programs, health screenings, mental health resources, and healthier cafeteria options, all aimed at creating a healthier and more productive workforce.

Crown Paints Safety and 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.



**NO. OF
INJURIES**
75



**NO. OF LOST TIME
INJURIES (HRS)**
138

Community Engagement

At Crown Paints, we firmly believe in the power of collective action and collaboration for the betterment of our communities. We see community investment not as an obligation, but as an opportunity to make meaningful contributions to the communities in which we operate. We aspire to creating sustainable, inclusive, and empowered communities. We engage in initiatives ranging from supporting education and health care, human rights, environmental sustainability and economic empowerment. Each initiative reflects our dedication to positive change, demonstrating how we are integrating sustainability into every aspect of our business.

At Crown Paints, making a meaningful difference also extends to our communities. Inspired by our Values, we are committed to corporate social responsibility (CSR) by working in partnership with our stakeholders to help ensure better living and build a sustainable future. The company is dedicated to engaging with and supporting the communities in which we live and work. Crown Paints is working to develop and formalize a CSR policy to further govern and centralize efforts, providing added visibility into strategic intent, investment and programming.

We were recognized as one of the top 25 corporations and organizations leading in social responsibility in Kenya. Our commitment to making a positive impact on society is rooted in our belief that businesses have a responsibility to give back and protect the societies we live in. While we've implemented various initiatives to promote social responsibility, we know there's still more we can do. We remain committed to doing better and contributing towards a better and more colorful world for all.

Top 25 Corporations and Organisations Leading in Social Responsibility in 2023

#14 | Crown Paints Plc



As the Business Monthly EA team sat down in readiness to interview Crown Paints PLC Group CEO Dr Rakesh Rao, we were delighted to find out that he serves as Board Chairman of The Art of Living, an educational and humanitarian foundation engaged in stress-management and service initiatives.




Dr Rakesh Rao (left), Crown Paints Group CEO and Ashok Mehra (right), Ashok Mehra Walplast Products Pvt Ltd Chairman, Crown Paints Plc partnered with the Indian based Paint manufacturer Walplast Products Pvt Ltd to provide more quality products for the construction industry in the East African market.

NAWIRI NA TEAM KUBWA

SACCO



Recognition as leading in CSR 2023

Working hours dedicated to CSR Initiatives	393
Social initiatives beneficiaries	9,655

Empowering community through Team Kubwa Program

We are committed to uplifting the lives of the users of our products through the Team Kubwa program. In 2023 we have invested Kshs.169.2 Million that has benefitted our products' end users.

No. of members: 194,958

Total Amount spent on Team Kubwa program: 169,200,000

CSR Partnership With Jambo Jet For Kibos School For The Visually Impaired

At Crown Paints, we are thrilled to share the incredible outcome of our collaboration with Fly Jambojet - a remarkable transformation at Kibos School for the Visually Blind! With our joint efforts, we breathed new life into the school's facilities, providing visually impaired students with a vibrant and fresh learning environment that fosters sustainable environmental and education programs. Education empowers lives, and this initiative aligns perfectly with Crown Paints' mission of transforming lives.



Painting of Nakaloke Police station located in Mbale Northern Division in eastern Uganda.

The project was part of us giving back to the community. The police station is on highway which also gives us good visibility. The good work was acknowledged and appreciated by DPC of the region.



Recognition by Tanzania Police Force for the exceptional support

We received a Certificate of Appreciation from Tanzania Police Force for the exceptional support that Crown Paints Tanzania Limited had extended to the Police. We have been supporting various police stations in Arusha by providing paints for their renovations. Such as Arusha Central Police, Unga limited police station, Railway Police station Arusha , Fire Station offices – Arusha.



Shamra Shamra ya Wakubwa promotion

In the course of 2023, we celebrated the winners of Shamra Shamra ya Wakubwa promotion, a campaign aimed at empowering painters to showcase their skills and engage with Crown Paints products through video content creation. The promotion received an overwhelming response, with 40 winners receiving exciting prizes such as a Tuk Tuk, motorbikes, smartphones, and shopping vouchers. This initiative reflects our commitment to empowering painters and positively impacting communities through innovative initiatives.



Elevating every users experience remains the core of crown paints. Our commitment to nurturing the development of young minds in the country remains strong. Crown paints once again supported this cause by generously offering to repaint the Boeing 737-700 aircraft that was donated to Mang'u High School, enhancing their aviation studies. The ceremony was graced by the presence of CS, Ministry of Roads and Transport, Hon. Kipchumba Murkomen, and Crown Paints Kenya Plc's Group CEO, Dr. Rakesh Rao.



Product and innovations

At Crown Paints, developing new products to meet customer demands and expectations; innovating to improve business growth; ensuring product quality and compliance concerns are integrated into innovation processes. Investing in research and development is crucial to continuously improve product formulations. We have greatly invested in R&D to identify new and better raw materials, additives, and technologies that can enhance paint performance, durability, and eco-friendliness. 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 minimizing the risk of human error. We have also invested in enhancing our supply chain management. By optimizing 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.

Zero VOC Products

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.

Odorless: 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.

Product labelling and innovation

We label our products explicitly to guide their responsible disposal once they leave our premises. Our approach focuses on minimizing waste generation throughout the product development process.

Crowning Glory! Crown Paints shined bright as FKE Award Winner for Innovation & Productivity at the Employer of the Year Awards 2023! Leading the innovation wave, this award celebrates excellence in Corporate Performance, People Management, and Industrial Relations practices, setting the benchmark for Kenyan employers.



Winner for Innovation & Productivity 2023

As the leaders of innovation, Crown Paints brings out the best of your walls for years to come with an anti-bacterial & a new mosquito-repellent based paint. With this amazing innovation, customers have to say goodbye to mosquitoes while embracing elegance of a smooth finish.



Give your walls the perfect foundation!





Color and protection all in one stroke:

The Find A Painter platform directly connects our expert trained painters to you, our valued customer, to deliver our promise of quality, affordable and convenient painting service from the no. 1 brand in Kenya.

FIND A PAINTER

Leave us your details to connect with a suitable painter.

* Full Name

* Mobile Number

* Email Address

* Location

I agree to terms & conditions

FIND MASTER PAINTERS

Responsible governance

Crown Paints Kenya PLC 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 endeavors to foster a culture of sound governance, ensuring transparency and accountability in all its endeavors.



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 behavior and responsible business conduct throughout the organization. It sets forth the expectations for employees, directors, and officers, emphasizing 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 behavior, 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.

Overall Employer of the Year Award!

A testament to our excellence in corporate performance, Crown Paints Plc was crowned 2nd Runners-Up, Overall Employer of the Year Award! In true Crown fashion, leaving a vibrant mark on the canvas of the industry.



Our 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.

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.

Nicholas Kathiari – Non Executive Director.

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.

**NO. OF
DIRECTORS OF
THE BOARD**



7

**NUMBER OF TIMES BOARD
OF DIRECTORS MEETINGS
HELD ANNUALLY**



4

**ATTENDANCE RATES AT
BOARD OF DIRECTORS
MEETINGS**



100%

Board Committees.

The Board has constituted various Committees with specific terms of reference. The committees of the Board consist of a balanced mix of non-executive and executive directors. The Board periodically reviews the composition and terms of reference of its committees to comply with any amendments/modifications to the provisions relating to composition of Committees.

Management, other Board members and outside service providers and experts may attend by invitation as circumstances dictate. The committees include; Audit and risk committee, Nomination and Remuneration Committee and special committees.

Audit and 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 any management members at least once a year. The Committee, within the scope of its assigned duties, is authorized 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. The committee also oversees ESG matters.



Human Resource and Remuneration Committee.

This committee is chaired by an independent non-executive Director. The committee meets at least once a year and frequently as required to carry out its duties. It is responsible for:

1. Reviewing the balance and effectiveness of the Board.
2. Determining the policy for the remuneration of the directors and executive senior management.
3. Succession planning at the Board level and proposing new nominees for appointment to the Board.

Special committees

The Board is mandated by the company's Articles of Association to form other ad hoc committees to deal with specific matters that may occur. These committees regularly report to the Board on their activities.

Our Policies

Crown Paints and all its group entities, branches, and business units adhere to these comprehensive policies, aligning with the organization'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.

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 Safety and Health performance, and involving stakeholders in attaining goals. We recognize and reward excellent Safety and Health performance, conduct regular effectiveness and performance audits, and share Safety and Health policies to all employees and interested parties.

Whistleblowing Policy.

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.

Diversity and Inclusion Policy

Crown Paints Kenya PLC embraces and support our employees' differences in age, ethnicity, gender, gender identity or expression, language differences, nationality or national origin, family or marital status, physical, mental and development abilities, race, religion or belief, sexual orientation, skin color, social or economic class, education, work and behavioral styles, political affiliation, caste, and other characteristics that make

our employees unique. Our commitment to diversity and inclusion aligns with our values of People and Respect and is reflected in our Corporate Code of Conduct.

Diversity and inclusion are sponsored at the highest levels in the Company and initiatives are applicable—but not limited—to our practices and policies on regional mobility, recruitment and selection; compensation and benefits; professional development and training; promotions; transfers; social and recreational programs; layoffs; terminations; and the ongoing development of a work environment built on the premise of equity.

Risk Policy

Crown Paints Kenya PLC is a company that prioritizes value maximization through strategic and operational objectives that strike an optimal balance between growth-return goals and risks. Our Risk Policy emphasizes 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 understands how risk

impacts the strategy choice, 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.

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.

Procurement Policy

Crown Paint's procurement strategy is strategically oriented towards enhancing our sustainability objectives while optimizing 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.



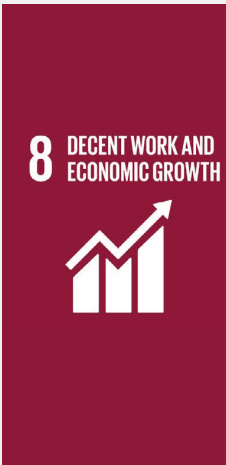
The decision-making process, involving Purchase Managers and Finance Directors, incorporates sustainability criteria, ensuring that sustainability considerations play a pivotal role in our procurement choices. Our commitment extends beyond the initial purchase. We diligently monitor competitive purchasing 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.

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 the United Nations Sustainable Development Goals (SDGs) provide a framework for organizations like ours to collaborate 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.

Aligning To Sustainability Development Goals

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 the United Nations Sustainable Development Goals (SDGs) provide a framework for organizations like ours to collaborate 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 Achievement & Commitment
 <p>3 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.</p> <p>Target 3.9- Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution & Contamination.</p>	<p>Producing high quality zero VOC paints without the potentially unsafe chemical components.</p> <p>Improving access to high quality and standardized health care to employees and their families through access to high quality medical cover.</p> <p>Promoting measures to Prevent the Spread of infectious diseases.</p>	<p>A total of 16 training sessions on HSE across all our group entities in 2023</p> <p>Successfully implemented ISO 45001 in our operations achieving 100% compliance</p> <p>Implemented wellness initiatives that have reached more than 90% of employees.</p> <p>So far producing 5 zero VoC eco-friendly products.</p> <p>In 2023 we supported four community health care projects</p>
 <p>7 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.</p> <p>Conducting annual energy Audit and Assessment.</p> <p>Integrating Renewable Energy Infrastructure in all our group entities.</p> <p>Investing in energy efficient technologies in all our locations.</p>	<p>Increase electricity from renewable sources to a total of 9 % of the total usage.</p> <p>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>8 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.</p> <p>Monitor workforce gender parity to tackle existing discriminatory practices.</p> <p>Fair Wages and Benefits- Full-time employees receive wages above minimums, with regular competitive reviews.</p>	<p>Regular DEI workshops which increased employee participation by 11%.</p>

17 PARTNERSHIPS FOR THE GOALS



Target 9.2: Promote inclusive and sustainable industrialization and, by 2030, raise industry's share of employment and gross domestic product.

Target 9.b: Promote domestic technology development, research, & innovation in developing countries & ensure favourable policies for industrial diversification and commodity value addition.

Collaborating with research centres to produce low VOC paint ranges.

Leveraging digital solutions to enhance eco-friendly ProductDevelopment.

Investing in energy efficient technologies, optimising resource usage, and adopting responsible waste management strategies.

Targeting a 20% increase in investment in advanced technology for better tracking and management of hazardous waste.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Target 12.2: Achieve the sustainable management & efficient use of natural resources.

Target 12.4: Responsible management of chemicals and waste.

Target 12.5: Reduce waste generation through prevention, reduction, recycling, and reuse.

Target 12.6: Adopt sustainable practices and sustainability reporting.

Investing in energy efficient technologies, optimising resource usage, and adopting

responsible waste management strategies

Expanding our recycling efforts by identifying opportunities to reuse or recycle waste materials.

Adopting sustainability reporting using the GRI Standards.

Disposal Treatment

Incorporate explicit labelling that provides guidance on the appropriate disposal method.

Increase reuse and recycling initiatives by 30% by 2025.

Producing 5 zero VoC eco-friendly products

Reducing Water consumption by 20% by 2025 and achieve zero effluent water discharge by 2030.

Treat approximately 4000 litres of water daily.

Harvesting rainwater to complement the current water supply.



Target 17.6: Knowledge sharing and cooperation for access to science, technology, and innovation.

Collaborating with research centres to produce eco-friendly products.

Targeting a 20% increase in investment in advanced technology.

Target 17.7: Promote sustainable technologies to developing countries.



FUTURE OUTLOOK

Future Outlook

Crown Paints is committed to navigating the delicate balance between expansion, sustainability, and profitability as we look toward the future. Leveraging Kaizen principles, we will drive continuous improvement and operational excellence, ensuring that growth initiatives align with our sustainability goals.

By optimizing resource use and reducing waste, we can enhance efficiency and lower costs, directly contributing to profitability while minimizing our environmental impact.

Our strategy involves integrating sustainability into every facet of our operations, from production processes to supply chain management. This holistic approach ensures that our expansion efforts are sustainable and responsible.

We will invest in innovative technologies and practices that support eco-friendly production and reduce our carbon footprint, aligning with our environmental stewardship commitments.

Moreover, by fostering a culture of continuous improvement and employee engagement, we can boost productivity and innovation, creating value for both our customers and shareholders. Our focus on ethical governance and transparent practices will further strengthen stakeholder trust and support long-term profitability.

We would like to extend our heartfelt gratitude to our shareholders for their unwavering support, which has been instrumental in our journey towards sustainable growth. Our dedicated employees, whose commitment and hard work drive our continuous improvement efforts, deserve special recognition. Additionally, we acknowledge the guidance and oversight of our Board of Directors, whose leadership ensures that our strategies are sound and aligned with our core values.

In summary, Crown Paints is dedicated to achieving a harmonious balance between expansion, sustainability, and profitability. By embedding sustainability into our growth strategies and leveraging Kaizen for ongoing improvements, we are well-positioned to achieve sustainable success and contribute positively to our communities and the environment.

Glossary Of Terms

- CEO – Chief Executive Officer**
- CMA – Capital Markets Authority**
- CO₂ – Carbon dioxide**
- CSR – Corporate Social Responsibility**
- CYS – Crown Your Space**
- DEI – Diversity, Equity and Inclusivity**
- ESG – Environmental, Social and Governance**
- GRI – Global Reporting Initiative**
- GBV – Gender Based Violence**
- HR – Human Resource**
- HSE – Health Safety and Environment**
- IFLA – International Federation of Landscape Architects**
- ISO – International Organization for Standardization**
- Kg – Kilogram**
- Kshs – Kenya Shilling**
- KWCW – Kenya Women and Children Wellness Centre**
- LED – Light Emitting Diode**
- Ltd – Limited**
- NGOs – Non-Governmental Organizations**
- NSE – Nairobi Securities Exchange**
- PCR – Post-Consumer Recycled**
- PLC – Public Limited Company**
- R&D – Research and Development**
- SO₂ – Sulphur Oxide**
- SDG – Sustainable Development Goals**
- UN – United Nations**
- VOC – Volatile Organic Compound**
- GHG – Green House Gases**

Performance Data Sheet

Crown Paints Kenya Plc

ESG Performance Data

Period : 1 Jan 2023 To 31 Dec 2023

S/N	Measurement	2023
PRODUCTION	M ³	50,115.0
REVENUE	Kshs(Billion)	12.5
WATER		
Water consumption	M ³	45,450.0
ENERGY & EMISSIONS		
Non -renewable Consumption		
Electricity	MWh	1,620.0
Petrol	Ltrs	80,672.3
Diesel	Ltrs	400,795.8
Renewable Energy consumption		
Solar	MWh	160.6
No of Vehicles using green energy.	#	3.0
WASTE MANAGEMENT		
Total waste generated	Mt	707.0
Waste Recovered (recycled, reused)	Mt	161.3
Hazardous waste generated	Mt	254.2
EMPLOYEE COMPOSITION		
Full-time employees	#	669.0
Contracted	#	765.0
Total	#	1,434.0
Employees under the age of 30	#	110.0
Employees between 30 and 50	#	1,252.0
Employees above 50	#	72.0
Women at management level	#	104.0
Men at senior management level	#	251.0
Number of new hires	#	83.0
Number of employee who left the company	#	45.0
Hours of training	#	25,620.0
Managers who had an annual performance review	#	332.0
Number of interns		
Men	#	40.0
Women	#	55.0
Total		95.0

Safety, Health & Environment

No. of injuries	#	75.0
No of Lost Time Injuries	Hours	138.0
No of Workforce represented on Safety and Health committees	#	323.0
No of Occupational Health & Safety Trainings organized	#	15.0
No of Occupational Safety and Health risk assessments	#	16.0
No of companies with ISO 14001:Environmental Management system certification	#	2.0
No of companies with ISO 45001:Occupational Health & Safety Management system certification	#	1.0
No of companies with ISO 9001:Quality management system certification	#	1.0

CSR Initiatives

Working hours dedicated to CSR Initiatives	#	293.0
Social initiatives beneficiaries	#	9,655.0
Employees and volunteers who participated	#	126.0
Paint used	Ltrs	13,781.0

Team Kubwa Loyalty program

No. of registered Team Kubwa painters	#	194,958.0
Cash spent on Team Kubwa program	Kshs'(Million)	169.2

Find A Painter Platform

No. of painters listed on the Find a Painter platform	#	2,000.0
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Board of Directors

Number of Directors of the Board	#	7.0
Number of times Board of Directors meetings held annually	#	4.0
Attendance rates at Board of Directors meetings	%	100.0

GRI Content Index sheet

Statement of use

Crown Paints Kenya PLC has reported the information cited in this GRI content index for the period from 1st January 2023 to 31st December 2023 in accordance with the GRI Standards.



GRI 1 USED	GRI 1: FOUNDATION 2021	
GRI	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	About Crown Paints Kenya PLC
	2-2 Entities included in the organization's sustainability reporting	Our Subsidiaries
	2-3 Reporting period, frequency and contact point	Our Approach to reporting
	2-4 Restatements of information	
	2-5 External assurance	
	2-6 Activities, value chain and other business relationships	About Crown Paints Kenya PLC
	2-7 Employees	2023 Annual Report
	2-8 Workers who are not employees	2023 Annual Report
	2-9 Governance structure and composition	Our Governance
	2-10 Nomination and selection of the highest governance body	Our Governance
	2-11 Chair of the highest governance body	Our Governance
	2-12 Role of the highest governance body in overseeing the management of impacts	Our Governance
	2-13 Delegation of responsibility for managing impacts	Our Governance
	2-14 Role of the highest governance body in sustainability reporting	Our Governance
	2-15 Conflicts of interest	Our Governance
	2-16 Communication of critical concerns	Our Governance
	2-17 Collective knowledge of the highest governance body	Our board
	2-18 Evaluation of the performance of the highest governance body	2023 Annual Report
	2-19 Remuneration policies	2023 Annual Report
	2-20 Process to determine remuneration	2023 Annual Report
	2-21 Annual total compensation ratio	2023 Annual Report
	2-22 Statement on sustainable development strategy	Our sustainability Pillars
	2-23 Policy commitments	Our Policies
	2-24 Embedding policy commitments	Our Policies
	2-25 Processes to remediate negative impacts	Our sustainability Pillars
	2-26 Mechanisms for seeking advice and raising concerns	
	2-27 Compliance with laws and regulations	Business ethics and compliance
	2-28 Membership associations	Stakeholder engagement
	2-29 Approach to stakeholder engagement	Stakeholder engagement
	2-30 Collective bargaining agreements	2023 Annual Report

GRI 3: Material Topics 2021	3-1 Process to determine material topics	Our materiality process
	3-2 List of material topics	Our material topics
	3-3 Management of material topics	Highlights of 2023 Performance
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	2023 Annual Report
	201-2 Financial implications and other risks and opportunities due to climate change	2023 Annual Report
	201-3 Defined benefit plan obligations and other retirement plans	2023 Annual Report
	201-4 Financial assistance received from government	
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	2023 Annual Report
	202-2 Proportion of senior management hired from the local community	2023 Annual Report
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	2023 Annual Report
	203-2 Significant indirect economic impacts	2023 Annual Report
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	2023 Annual Report
GRI 205: Anticorruption 2016	205-1 Operations assessed for risks related to corruption	Material topic-Responsible governance
	205-2 Communication and training about anti-corruption policies and procedures	Material topic-Responsible governance
	205-3 Confirmed incidents of corruption and actions taken	Material topic-Responsible governance
GRI 206: Anticompetitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business ethics and compliance
GRI 207: Tax 2019	207-1 Approach to tax	2023 Annual Report
	207-2 Tax governance, control, and risk management	2023 Annual Report
	207-3 Stakeholder engagement and management of concerns related to tax	2023 Annual Report
	207-4 Country-by-country reporting	2023 Annual Report

GRI 301: Materials 2016	301-1 Materials used by weight or volume	Material Topic –Waste management
	301-2 Recycled input materials used	Material Topic –Waste management
	301-3 Reclaimed products and their packaging materials	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Material topic- Energy & Emissions management
	302-2 Energy consumption outside of the organization	Material topic- Energy & Emissions management
	302-3 Energy intensity	Material topic- Energy & Emissions management
	302-4 Reduction of energy consumption	Material topic- Energy & Emissions management
	302-5 Reductions in energy requirements of products and services	Material topic- Energy & Emissions management
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Material Topic –Water management
	303-2 Management of water discharge-related impacts	Material Topic –Water management
	303-3 Water withdrawal	Material Topic –Water management
	303-4 Water discharge	Material Topic –Water management
	303-5 Water consumption	Material Topic –Water management
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	N/A
	304-2 Significant impacts of activities, products and services on biodiversity	N/A
	304-3 Habitats protected or restored	N/A
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	N/A

GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	2023 Annual Report
	203-2 Significant indirect economic impacts	2023 Annual Report
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	2023 Annual Report
GRI 205: Anticorruption 2016	205-1 Operations assessed for risks related to corruption	Material topic-Responsible governance
	205-2 Communication and training about anti-corruption policies and procedures	Material topic-Responsible governance
	205-3 Confirmed incidents of corruption and actions taken	Material topic-Responsible governance
GRI 206: Anticompetitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business ethics and compliance
GRI 207: Tax 2019	207-1 Approach to tax	2023 Annual Report
	207-2 Tax governance, control, and risk management	2023 Annual Report
	207-3 Stakeholder engagement and management of concerns related to tax	2023 Annual Report
	207-4 Country-by-country reporting	2023 Annual Report
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	301-2 Recycled input materials used	Material Topic -Waste management
	301-3 Reclaimed products and their packaging materials	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Material topic- Energy & Emissions management
	302-2 Energy consumption outside of the organization	Material topic- Energy & Emissions management
	302-3 Energy intensity	Material topic- Energy & Emissions management
	302-4 Reduction of energy consumption	Material topic- Energy & Emissions management
	302-5 Reductions in energy requirements of products and services	Material topic- Energy & Emissions management

GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Material Topic -Water management
	303-2 Management of water discharge-related impacts	Material Topic -Water management
	303-3 Water withdrawal	Material Topic -Water management
	303-4 Water discharge	Material Topic -Water management
	303-5 Water consumption	Material Topic -Water management
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	N/A
	304-2 Significant impacts of activities, products and services on biodiversity	N/A
	304-3 Habitats protected or restored	N/A
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	N/A
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	Material topic- Energy & Emissions management
	305-2 Energy indirect (Scope 2) GHG emissions	Material topic- Energy & Emissions management
	305-3 Other indirect (Scope 3) GHG emissions	Material topic- Energy & Emissions management
	305-4 GHG emissions intensity	Material topic- Energy & Emissions management
	305-5 Reduction of GHG emissions	Material topic- Energy & Emissions management
	305-6 Emissions of ozone-depleting substances (ODS)	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Material topic- Energy & Emissions management
	306-2 Management of significant waste-related impacts	Material topic- Energy & Emissions management
	306-3 Waste generated	Material topic- Energy & Emissions management
	306-4 Waste diverted from disposal	Material topic- Energy & Emissions management
	306-5 Waste directed to disposal	Material topic- Energy & Emissions management

GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Material topic-Responsible governance
	308-2 Negative environmental impacts in the supply chain and actions taken	Material topic-Responsible governance
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Material Topic -Human capital management
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	2023 Annual Report
	401-3 Parental leave	Material Topic -Human capital management
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	2023 Annual Report
GRI 403: Occupational Safety and Health 2018	403-1 Occupational Safety and Health management system	Material Topic-Occupational Safety and Health
	403-2 Hazard identification, risk assessment, and incident investigation	Material Topic-Occupational Safety and Health
	403-3 Occupational health services	Material Topic-Occupational Safety and Health
	403-4 Worker participation, consultation, and communication on occupational Safety and Health	Material Topic-Occupational Safety and Health
	403-5 Worker training on occupational Safety and Health	Material Topic-Occupational Safety and Health
	403-6 Promotion of worker health	Material Topic-Occupational Safety and Health
	403-7 Prevention and mitigation of occupational Safety and Health impacts directly linked by business relationships	Material Topic-Occupational Safety and Health
	403-8 Workers covered by an occupational Safety and Health management system	Material Topic-Occupational Safety and Health
	403-9 Work-related injuries	Material Topic-Occupational Safety and Health
	403-10 Work-related ill health	Material Topic-Occupational Safety and Health

GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Material Topic –Human capital management
	404-2 Programs for upgrading employee skills and transition assistance programs	Material Topic –Human capital management
	404-3 Percentage of employees receiving regular performance and career development reviews	Material Topic –Human capital management
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	2023 Annual Report
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Material topic–Diversity, Equity & Inclusion
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Material topic–Diversity, Equity & Inclusion
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Material topic–Responsible governance
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Material topic–Responsible governance
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Material topic–Community engagement
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Material topic–Community engagement

GRI 413: Local Communities 2016	404-1 Average hours of training per year per employee	Material Topic –Human capital management
	413-1 Operations with local community engagement, impact assessments, and development programs	Material Topic –Human capital management
	Material topic–Community engagement	Material Topic –Human capital management
413-2 Operations with significant actual and potential negative impacts on local communities	405-1 Diversity of governance bodies and employees	2023 Annual Report
	Material topic–Community engagement	
	406-1 Incidents of discrimination and corrective actions taken	Material topic–Diversity, Equity & Inclusion
	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Material topic–Diversity, Equity & Inclusion
	GRI 414: Supplier Social Assessment 2016	
414-1 New suppliers that were screened using social criteria	408-1 Operations and suppliers at significant risk for incidents of child labor	Material topic–Responsible governance
	Material topic–Responsible governance	
414-2 Negative social impacts in the supply chain and actions taken	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Material topic–Responsible governance
	Material topic–Responsible governance	
	410-1 Security personnel trained in human rights policies or procedures	Material topic–Community engagement
	411-1 Incidents of violations involving rights of indigenous peoples	Material topic–Community engagement
	GRI 415: Public Policy 2016	







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