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## **NOTICE OF THE 2026 ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Eighty-Fifth Annual General Meeting of BOC Kenya PLC will be held Virtually on 25 June 2026, at 11:00 a.m. for the following purposes: -

### **Ordinary Business**

1. To receive, consider and if approved, adopt the Company's audited financial statements for the year ended 31 December 2025, together with the Reports of the Chairman, Directors and Auditors thereon.
2. To declare a final dividend of KES 10.35 per ordinary share, payable, net of Withholding Tax, on or about 21 July 2026 to Shareholders on the Register at the close of business on 31 May 2026.
3. To re-elect Directors:
  - i. Mrs. C. Wetende retires by rotation and being eligible, offers herself re-election in accordance with Article 29 of the Articles of Association.
  - ii. Mr. S. Maina retires by rotation and being eligible, offers himself for re-election in accordance with Article 29 of the Articles of Association.
  - iii. In accordance with the provisions of Section 769 of the Companies Act 2015, Mr. S. Maina, Mr. J. Ramashala and Mrs. C. Wetende being members of the Board's Audit & Risk Committee be re-elected to continue to serve as Members of the said Committee.
4. To approve the remuneration of Directors and the Directors Remuneration Report for the year ended 31 December 2025.
5. To appoint External Auditors by virtue of Section 721(2) of the Companies Act 2015 and to authorise the Directors to fix their remuneration.

### **By Order of the Board**

**R. T. Ngobi (Ms.)**  
**Company Secretary**  
**Kitui Road, Industrial Area**  
**P O Box 18010-00500**  
**Nairobi**

**15 April 2026**

Notes accompanying this Notice of Annual General Meeting are contained on pages 3 to 5. This Notice is also available for download on the Company's website [www.boc.co.ke](http://www.boc.co.ke).

## NOTICE OF THE 2026 ANNUAL GENERAL MEETING (Continued)

1. Any Member who is entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his behalf. Such proxy need not be a member of the Company.
2. Shareholders wishing to participate in the meeting should register for the AGM online at <https://digital.candr.africa> or via USSD using short code number \*384\*041# or via a link to the AGM Platform that will be sent to them via SMS and/or Email and follow the various prompts regarding the registration process. In order to complete the registration process, Shareholders will need to have their Shares Account Number or CDSC Account Number and the ID/Passport Number which were used to purchase their shares.
3. Registration for the AGM opens on **Thursday 18th June 2026 at 08:00am** and will close on **Wednesday 24th June 2026 at 12:00 Noon**.
4. For assistance, Shareholders should dial the following helpline number: **+254 20 8690360** from **8:00 a.m. to 4:30 p.m.** during the registration Open Period. Any Shareholder outside Kenya should dial the helpline number to be assisted to register or send an email to [digital@candr.africa](mailto:digital@candr.africa).
5. Shareholders can access the Virtual AGM online at <https://digital.candr.africa> or via the link to the AGM Platform to view the livestream, vote and submit questions. Shareholders without internet access can access the Virtual AGM and vote and submit questions via USSD using short code number \*384\*041#.
6. Shareholders wishing to raise any questions for the AGM may do so by:
  - i. Accessing Virtual AGM online at <https://digital.candr.africa> or via the link to the AGM platform; Select Attend Event; Select “BOC Kenya PLC AGM”; Select “Q&A” option tab and submit questions in text box provided; or
  - ii. Accessing Virtual AGM via USSD platform using short code number \*384\*041#; Use the menu prompts to Select option for “Q&A” and submit their questions (within 160-character limit for sms text);

### Questions via the AGM portal

Shareholders will be able to ask questions on the virtual AGM platform up to and during the AGM using the online portal or the USSD code.

### Live Questions during the AGM

There will be an opportunity provided for shareholders to virtually join the AGM to ask their questions live. Shareholders wishing to ask their questions live during the AGM can join the meeting room during the AGM (by selecting the “Join AGM Meeting Room” tab at the bottom of the live stream display window). In the meeting room shareholders can continue watching the AGM broadcast and either i) select “raise hand” option on their screen to request an opportunity to ask their questions live to the Board or ii) enter their questions in the live chat to be read out by the Board during the AGM

- iii. Sending their written questions by email to [digital@candr.africa](mailto:digital@candr.africa); or
- iv. To the extent possible, physically delivering their written questions with a return physical address or email address to the offices of Custody and Registrars Services Ltd, Company’s Registrars, at IKM Place, Tower B, 1st Floor, 5th Ngong Avenue.
  - Shareholders sending questions by email or delivering to C&R Group must provide their full details (full names, Shares Account Number//CDSC Account Number) when submitting their questions and clarifications. Also attach a copy of your ID/Passport.
  - All questions and clarifications must reach the C&R Group on or before **Wednesday 24<sup>th</sup> June 2026 by 12:00 Noon**.

## **NOTICE OF THE 2026 ANNUAL GENERAL MEETING (Continued)**

### **NOTES (Continued)**

7. Shareholders wishing to vote may do so prior to or during the AGM by:
  - i. Accessing Virtual AGM online at <https://digital.candr.africa> or via the link to the AGM platform; Select Attend Event; Select “BOC Kenya PLC AGM”; Select “Voting” option tab and vote; or
  - ii. Accessing Virtual AGM via USSD platform; Use the menu prompts to Select option for “Voting” and follow the various prompts regarding the voting process
8. In accordance with Section 298(1) of the Companies Act, Shareholders entitled to attend and vote at the AGM are entitled to appoint a proxy to vote on their behalf. A proxy need not be a member of the Company.

A Proxy Form is available on the Company’s website [www.boc.co.ke](http://www.boc.co.ke) Physical copies of the Proxy Form are also available at the following address: Custody and Registrars Services offices, IKM Place, Tower B, 1st Floor, 5th Ngong Avenue.

To be valid, the Proxy Form must be duly completed by the Shareholder or his Attorney duly authorized in writing. If the Shareholder is a body corporate, the instrument appointing the proxy shall be given under its common seal (if any) or under the hand of an Officer or duly authorized Attorney of such body corporate.

A completed Form of Proxy should be emailed to [proxy@candr.africa](mailto:proxy@candr.africa) in pdf format or delivered to Custody and Registrars Services, IKM Place, Tower B, 1st Floor, 5th Ngong Avenue Nairobi or be posted to Custody and Registrars Services, P. O. Box 8484-00100 Nairobi, so as to reach the Registrar or the Company Secretary not later than **12:00 Noon on Tuesday 23rd June 2026**.

The duly completed form must be supported by a copy of ID/ valid Passport of the Shareholder and include the ID/Passport, email or telephone number of the proxy to facilitate registration. Any proxy registration that is rejected will be communicated to the Shareholder concerned no later than Wednesday **24th June 2026 at 12:00 Noon** to allow time to address any issues.

9. The AGM will be streamed live to all Shareholders who will have registered to participate in the general meeting. Duly registered Shareholders and proxies will receive a short message service (SMS/USSD) prompt on their registered mobile numbers or email, 24 hours prior to the AGM as a reminder of the AGM. A second SMS/USSD prompt shall be sent two hours ahead of the AGM, reminding duly registered Shareholders and proxies that the AGM will begin in two hour’s time and providing a link to the live stream.
10. Duly registered members may follow the proceedings of the AGM using the live stream platform and also to access the agenda.
11. A poll shall be conducted for the resolutions and elections put forward in the notice.
12. Results of the AGM shall be published within 48 hours following the conclusion of the AGM.
13. The Annual Report and Financial Statements of the Company for the year ended **31 December 2025** have been made available on the Company’s website [www.boc.co.ke](http://www.boc.co.ke) in the downloads section of the website.

## **NOTICE OF THE 2026 ANNUAL GENERAL MEETING (Continued)**

### **NOTES (Continued)**

#### **Note on Unclaimed Dividends**

All present and former shareholders of the Company are hereby notified that pursuant to the provisions of the Unclaimed Financial Assets Act No. 40 of 2011 Parts II and III, dividends and shares which have not been claimed for a period of three (3) years more will require to be delivered to the Unclaimed Financial Assets Authority ('the Authority') as abandoned assets on the appointed date.

For any unclaimed dividends, the preferred method of paying dividends which are below KShs. 250,000 is through M-PESA. Shareholders who wish to receive their dividend through M-PESA and who have not registered for this mode of payment can opt to receive future dividends by dialling \*483\*038# or contacting the Share Registrar, Custody & Registrars Services Limited.

Therefore, all present and former shareholders with unpaid dividends are requested to urgently contact the Share Registrar Custody & Registrars Services Limited at the address indicated below to claim any unpaid dividends to avert the risk of the dividends being forwarded to the Authority.

Custody & Registrars Services Limited (C&R Group)  
IKM Place, Tower B, 1st Floor  
5th Ngong Avenue, Nairobi  
Tel: 0207909276, 0726971599, 0737095124  
Email: info@candr.africa

For any unclaimed dividends, the preferred method of paying dividends which are below KShs. 250,000 is through M-PESA. Shareholders who wish to receive their dividend through M-PESA and who have not registered for this mode of payment can opt to receive future dividends by dialling \*483\*038#.

## **Explanatory Notes to Resolutions proposed to be passed at the AGM to be held on 25th June 2026**

### **ORDINARY BUSINESS**

#### **Agenda Item 1 - Report and Accounts 2025**

##### **Resolution 1:**

**THAT the Report of the Directors and the Financial Statements for the year ended 31 December 2025, as audited and reported by the Company's Auditors now submitted to this meeting be and are hereby approved and adopted.**

The Report and Accounts for the year ended 31 December 2025 were approved by the Board of Directors on 15 April 2026 and are presented and proposed for adoption by Shareholders.

#### **Agenda Item 2 - Dividend**

##### **Resolution 2:**

**THAT a final dividend of KES 10.35 per ordinary share payable, net of Withholding Tax, on or about the 21 July 2026 to Shareholders on the Register at the close of business on 31 May 2026 be and is hereby approved.**

The final dividend was approved by the Board of Directors on 15 April 2026 and is recommended for approval by Shareholders.

#### **Agenda Item 3 – Re-election of Directors**

##### **Resolution 3:**

**THAT Mrs. C. Wetende be and is hereby re-elected a Director of the Company in accordance with Article 29 of the Articles of Association.**

Mrs. C. Wetende retires by rotation and offers herself for re-election in accordance with Article 29 of the Company's Articles of Association.

##### **Resolution 4:**

**THAT Mr. S. Maina be and is hereby re-elected a Director of the Company in accordance with Article 29 of the Articles of Association.**

Mr. S. Maina retires by rotation and offers himself for re-election in accordance with Article 29 of the Company's Articles of Association.

#### **Agenda Item 3 Directors re-election to Audit & Risk Committee**

##### **Resolution 5:**

**THAT Mr. S. Maina, Mrs. C. Wetende and Mr. J. Ramashala be and are hereby elected to continue to serve as Members of the Board Audit & Risk Committee.**

In accordance with the provisions of Section 769 of the Companies Act 2015, the above-named Directors offer themselves for re-election to continue to serve as Members of the Board Audit & Risk Committee.

## **Explanatory Notes to Resolutions proposed to be passed at the AGM to be held on 25th June 2026**

### **Agenda Item 4 - Directors Remuneration and Remuneration Report**

#### **Resolution 6:**

**THAT the Directors remuneration as stated in Note 30(f) to the Financial Statements and the Remuneration Report set out on page 95 of the Company's 2025 Annual Report, be and are hereby Approved.**

Resolution 6 is an advisory vote to approve the Directors' remuneration as stated on Note 30(f) to the Financial Statements and to approve the Director's Remuneration Report as prescribed by the CMA Code of Corporate Governance Practices for Issuers of Securities to the Public.

The Remuneration Report is set out on page 93 of the 2025 Annual Report posted on the Company's website [www.boc.co.ke](http://www.boc.co.ke).

### **Agenda Item 5 - Re-Appointment of Auditors and Auditors Remuneration**

#### **Resolution 7:**

PricewaterhouseCoopers LLP served as the Company's external auditors since 1 August 2020. In line with the recommendation from the Code of Corporate Governance Practices for Issuers of Securities to the Public 2015 to rotate independent auditors every six to nine years the Board of Directors will seek appointment of new External Auditors by Shareholders at the Annual General Meeting. A resolution to appoint the External Auditors will be put to Members.

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. E. Vorster*	(Chairman)
Mr. L. Githinji	(Managing Director)
Mr. T. Mutinda	(Finance Director)
Mr. J. Ramashala*	
Mrs. C. Wetende**	
Mr. S. Maina**	
Ms. R. T. Ngobi	(Company Secretary)

### AUDIT AND RISK COMMITTEE

Mr. S. Maina**	(Chairman)
Mr. J. Ramashala *	
Mrs. C. Wetende**	
Mr. L. Githinji	(Permanent invitee)
Mr. T. Mutinda	(Permanent invitee)
Ms. R.T. Ngobi	(Secretary)

### NOMINATIONS AND CORPORATE

#### GOVERNANCE COMMITTEE

Mrs. C. Wetende **	(Chairman)
Mr. E. Vorster*	
Mr. J. Ramashala *	
Mr. L. Githinji	(Permanent invitee)
Ms. R.T. Ngobi	(Secretary)

\* *Non-Executive Directors*

\*\* *Independent Non-Executive Directors*

#### *Nationality where not Kenyan:*

Mr. E. Vorster\* (South African)  
Mr. J. Ramashala \* (South African)

### AUDITOR

PricewaterhouseCoopers LLP  
PwC Tower, Waiyaki Way,  
P.O. BOX 43693-00100  
Nairobi

### TRANSFER AGENTS

Custody & Registrar Services Limited  
IKM Place, 1st floor Fifth Ngong Ave  
P O. Box 8484-00100,  
Nairobi

### ADVOCATES

Kaplan & Stratton  
Williamson House  
4th Ngong Avenue  
PO Box 4011 – 00100 Nairobi

Daly & Inamdar Advocates

ABC Towers, 6th Floor,  
ABC Place, Waiyaki Way  
P.O. Box 40034-00100, Nairobi

### BANKERS

Citibank N.A. Kenya  
KCB Bank Limited

### SECRETARY AND REGISTERED

Ms. R.T. Ngobi (CPS No. 726)  
Company Secretary  
Kitui Road, Industrial Area  
PO Box 18010 – 00500 Nairobi

## ABOUT US

### OVERVIEW

BOC Kenya PLC's (the "Company") is a public Company formed under the laws of Kenya with its principal offices in Nairobi.

The Company set up in Kenya in 1940 and is part of the BOC organisation that was established in Britain in 1886. The Company's immediate majority shareholder is BOC Holdings (UK) and the ultimate majority shareholder is Linde plc.

Linde is a leading global industrial gases and engineering company with sales of \$31 billion (€26 billion) in the year 2021. The Group's mission is making our world more productive every day by providing high-quality solutions, technologies and services which are making our customers more successful and helping to sustain and protect our planet.

The Linde Group serves a variety of end markets including chemicals and energy, food and beverage, electronics, healthcare, manufacturing, metals and mining. Linde's industrial gases are used in numerous applications, from life-saving oxygen for hospitals to high-purity and specialty gases for electronics manufacturing, hydrogen for clean fuels and much more. Linde also delivers state-of-the-art gas processing solutions to support customer expansion, efficiency improvements and emissions reductions.

### Our Business

The Company's primary products in its medical and industrial gases business are atmospheric gases (oxygen, nitrogen and argon) and process gases (carbon dioxide, helium, hydrogen, specialty gases and acetylene etc). Ancillary to this, the Company supplies gas accessories, equipment and welding products. The Company also designs and builds medical and industrial gas storage facilities and gas pipelines (engineering services).

The Company's customer base cuts across a large spectrum and includes public and private hospitals, food processors, civil and mechanical engineering contractors, motor vehicle body builders, hotels and restaurants, the informal business sector ("Jua Kali") and small and medium enterprises.

Our business operates with the purpose of making our world more productive by meeting the needs of our customers.

### Our product range includes:

#### Bulk (Liquid) Gases

- BOC has an Air Separation Unit (ASU) in Nairobi that produces liquid oxygen and liquid nitrogen with purity levels of 99.95%.

#### Packaged (Cylinder) Gases

- These comprise the Company's primary product line and include medical gases, industrial gases, special gases, gas mixtures and liquefied petroleum gas. Atmospheric gases, gas mixtures and acetylene are produced at the Company's Nairobi plant while the other gases are purchased from other gas suppliers, mostly overseas.

#### Engineering Services

- Supply of medical equipment, construction of medical and other gas pipelines, LPG installations, provision of Company owned cryogenic gas storage tanks and related maintenance services.
- BOC has a team of highly qualified engineers and technicians who provide Customer Engineering Services (CES) to the highest international standards including the following: Medical Oxygen KS 2170 – 1:2009; Medical Air – KS 2170 – 2008; Medical Nitrous oxide – KS – 2170-3:2008 and Medical Carbon Dioxide – KS -2170-4:2009.

## ABOUT US (Continued)

### OVERVIEW

#### Mission and values

##### Safety, Health, Environment and Quality

Safety at BOC is non-negotiable. We pay great attention to the safety of operations, products, distribution fleet and our customers.

We conduct rigorous tests on our cylinders before any filling operation to ensure safety of products and users. Medical cylinders are subjected to more stringent tests and cleaning in line with health care standards.

All staff receive regular general safety and role specific training. Employees have access to the web-based Linde Plc Learning Management System (Intalex) on which they study and undertake tests on subjects relevant for their respective roles in the Company.

The Company's distribution fleet drivers are continuously trained in vehicle safety, including heavy commercial vehicle anti-rollover training in South Africa.

Completion of core training is mandatory before an employee is allowed to execute particular tasks.

We live the Linde mission of making our world more productive by providing high-quality solutions, technologies and services to our customers to make them more successful and helping to sustain and protect our planet.

#### **Mission:**

Our mission is to be the best performing medical gases, industrial gases welding products and welding accessories Company in our region, where our people deliver innovative and sustainable solutions for our customers in a connected world.

#### **Vision:**

Our vision is making our world more productive

#### **Strategic Direction:**

- a. Build on our individual and collective strengths across a larger global footprint.
- b. Profitably and sustainably grow our industrial and medical gases business by increasing network density.
- c. Leverage world-class engineering and technology capabilities to deliver a competitive advantage to the gases business and profitably grow with third party customers.

#### **Values and Behaviours:**

- **Safety** - We put safety first. We believe all incidents are preventable, and our goal is no harm to people, communities or the environment. We continuously work to improve our safety culture and performance worldwide.
- **Integrity** - We always strive to achieve our goals ethically, and with the highest integrity. We expect transparent and respectful interactions between management, employees and our business partners, consistent with our Code of Business Integrity.
- **Accountability** - We hold ourselves accountable for our performance, individually and collectively. We focus both on what we accomplish and how we accomplish it, and we are committed to delivering on individual and company goals.
- **Inclusion** - We embrace diversity and inclusion in order to attract, develop and retain the best talent and build high-performing teams. By hearing all voices and benefiting from diverse opinions, thoughts and perspectives, we achieve our full promise and potential; and

## ABOUT US (Continued)

- **Community** - We are committed to improving the communities where we live and work. Our contributions support initiatives that make important and sustainable contributions to our world.

### Strategy

The strategy of the Company is geared towards long-term profitable growth and focuses on the provision of forward-looking products and services that support our customers in their various areas of operations.

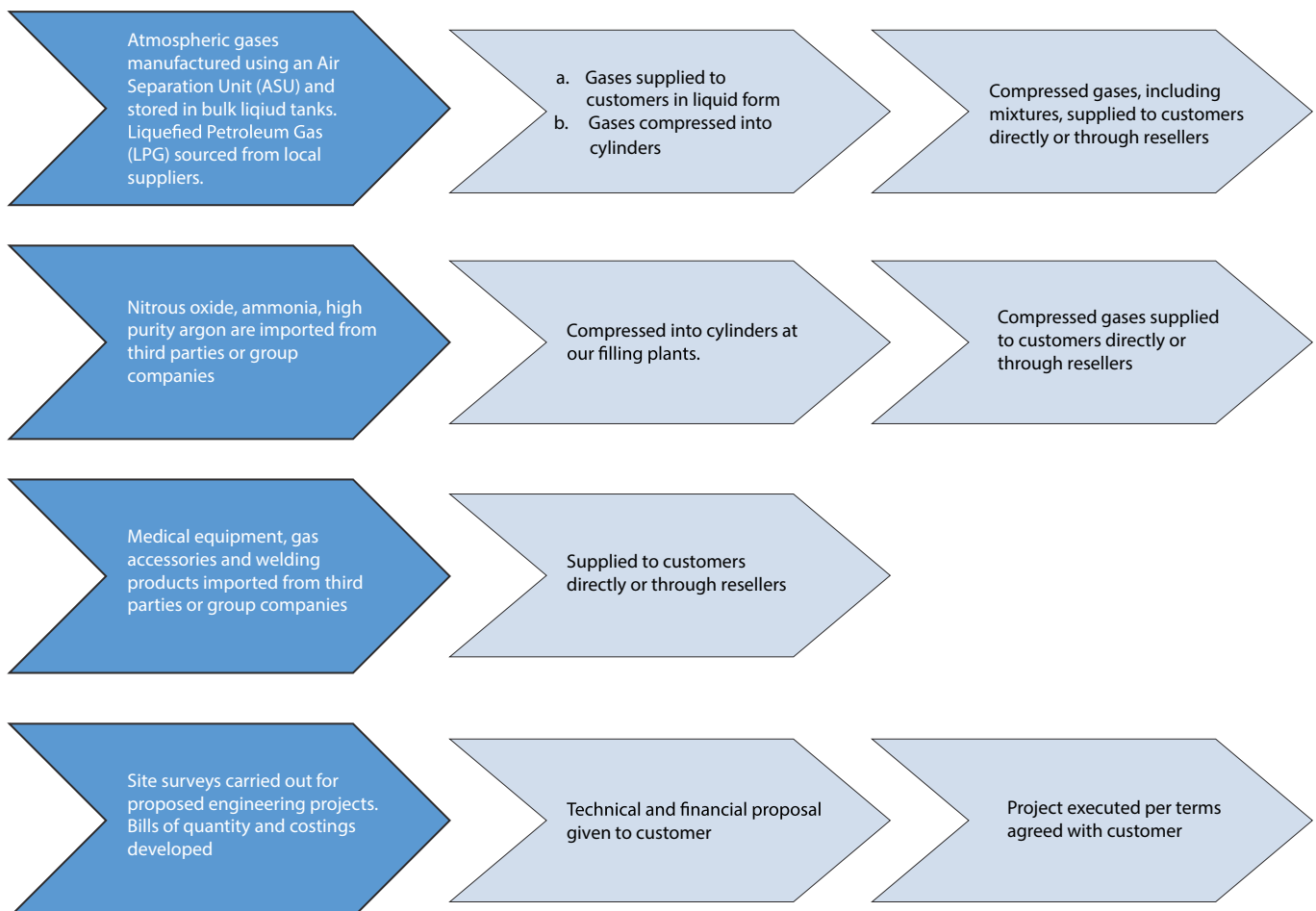
The Company acts responsibly towards its shareholders, business partners, employees, society and the environment in every one of its business areas and locations.

We seek to consolidate and grow the medical gases segment and to maintain and grow the industrial gases segment (especially oxygen and dissolved acetylene) and aim to become the gas supplier of choice in the Kenyan market. We seek to partner with real estate developers for Liquefied Petroleum Gas (Gas) reticulation and to provide innovative solutions to key segments in the agriculture and floriculture sectors and to partner with national referral and county governments to deliver quality medical supplies to public hospitals.

Our strategy is focussed on four pillars: (1) Protecting the base business, (2) Creating new business streams, (3) Excellence in customer service operations and the (4) Execution and people pillar.

### Business Model

The Company's business model may be summarised as follows:



## ABOUT US (Continued)

### Gases and Manufacturing Processes

Atmospheric gases are the highest volume products produced by the Company. Using air as its raw material, the Company produces oxygen, nitrogen and argon through cryogenic air separation.

Process gases, including carbon dioxide, hydrogen, helium, specialty gases are purchased from other gas companies locally or abroad while acetylene is produced at the Company's plant by reacting calcium carbide with water.

Gases have applications in either industrial or medical sectors, or in the case of oxygen in both sectors.

### Gases Distribution

The Company uses two basic distribution methods for industrial gases:

- i. **Merchant/bulk liquid** - The merchant business is generally associated with distributable liquid oxygen and nitrogen. The deliveries generally are made from Company's Nairobi plants by tanker trucks to storage containers at the customer's site which are owned and maintained by the Company.
- ii. **Packaged or cylinder gases** - Customers requiring small volumes are supplied products in metal containers called cylinders, under medium to high pressure. Packaged gases include atmospheric gases, carbon dioxide, hydrogen, helium, acetylene and related products. The Company also produces and distributes in cylinders a wide range of specialty gases and mixtures. Cylinders may be delivered to the customer's site or picked up by the customer at a Company facility or distributor store.

### Customer Engineering Services

The Company builds gas pipelines, primarily medical gas pipelines in hospitals. It also builds liquefied petroleum gas (LPG) pipelines.

For hospitals, the Company has the competency to provide a complete gas solution encompassing supply of the medical gas in liquid or in cylinders, construction of the medical pipelines and installation of the equipment / consumables necessary to deliver the gas to the patient's bed side.



Cylinder gases: Customers requiring small volumes are supplied products in metal containers called cylinders, under medium to high pressure.

## CHAIRMAN'S STATEMENT



**Turnover increased by 18.5%, supported by improved demand across key product lines and enhanced commercial execution.**

On behalf of the Board of Directors, I am pleased to present the Annual Report and Financial Statements for the financial year ended 31 December 2025.

### **Business Overview**

The Company delivered a strong financial performance in 2025, achieving significant growth in both revenue and profitability. Turnover increased by 18.5%, supported by improved demand across key product lines and enhanced commercial execution. Despite upward pressure on certain cost categories, the Company sustained a healthy gross margin, with gross profit rising by 13.1%. Profit before tax increased by 49.8%, and the Company closed the year with a 48.4% increase in profit after tax, underscoring the resilience and competitiveness of our operations.

A detailed financial review is provided in the Managing Director's Report.

### **Outlook**

Looking ahead, the Board remains confident in the Company's strategic direction. Our focus will remain on:

- Strengthening operational efficiency
- Enhancing customer value
- Protecting margins through cost optimization
- Driving sustainable, profitable growth

The positive momentum achieved in 2025 sets a solid foundation for continued progress in 2026 and beyond.

### **Board of Directors**

During the year, the Board welcomed important leadership appointments:

- *L. Githinji, who joined the Board in March 2025 as Managing Director*
- *T. Mutinda, who joined the Board in April 2025 as Finance Director*

These appointments strengthen the Company's executive capacity and reinforce our commitment to strong governance, strategic focus, and long term value creation.

### **Appreciation**

We express our deep appreciation to our customers across all sectors for their continued trust in our gases, medical gas pipeline solutions, welding products, and related accessories. Delivering safe, reliable, and high quality products remains our top priority.

We also recognize and thank our employees, distributors, and business partners for their dedication and contribution to another successful year. Your commitment continues to drive our operational excellence and market leadership.

To our shareholders, we reaffirm the Board's commitment to prudent stewardship, sustainable value creation, and continued performance improvement in the years ahead.

**Mr. E. Vorster**

**Chairman**

**15<sup>th</sup> April 2026**

## MANAGING DIRECTOR'S REPORT



*The Company delivered a strong financial performance in 2025, achieving revenue growth of approximately 19% compared to the prior year.*

### Vision and Mission

In alignment with Linde's vision to be the best-performing global industrial gases and engineering company, where people deliver innovative and sustainable solutions for customers in a connected world, BOC Kenya continued to advance this ambition through strong operational performance and market-leading innovation.

The Company remained focused on delivering reliable, high-quality, and sustainable gas solutions that enable customer productivity, support critical healthcare and industrial applications, and strengthen supply chain resilience. Through a combination of technical expertise, disciplined execution, and close collaboration with customers and partners, BOC Kenya contributed to industrial growth, enhanced healthcare outcomes, and long-term value creation across Kenya and the broader East Africa region.

### Strategic Direction

The Company's strategic direction is centred on strengthening its presence within the East Africa region through deliberate market development, deeper local partnerships, and unwavering commitment to compliance and safety. Our priorities include driving sales growth, improving profitability through cost discipline, and enhancing supply chain resilience to better serve our customers. During the year, the Company made notable progress across its six strategic pillars below.

**Regional Coverage:** The Company expanded its market reach and strengthened customer engagement across key regions, supporting growth across multiple sectors.

**Segment Focus:** Prioritised commercial activity improved alignment with evolving customer needs, enhancing value delivery and reinforcing sectoral strength.

**Application Knowledge:** Investment in technical expertise deepened our understanding of how gas applications support customer processes, enabling tailored and more impactful solutions.

**Operational Efficiency:** Production, logistics, and support functions benefited from initiatives that streamlined processes, improved reliability, and optimised resource utilisation.

**People Development:** Training, performance management, and recognition initiatives fostered a more capable, motivated, and aligned workforce.

**Compliance:** Compliance games and awareness programmes strengthened the Company's culture of integrity and reinforced adherence to regulatory and internal standards.

The successful delivery of several major and technically demanding projects further demonstrated the Company's capability, reliability, and technical strength across multiple sectors.

### Performance Overview

The Company delivered a strong financial performance in 2025, achieving revenue growth of approximately 19% compared to the prior year. A key driver of this performance was the significant increase in medical gases supplied to the Healthcare sector across the country. As healthcare institutions expanded capacity and prioritized uninterrupted oxygen supply, demand from the medical sector remained strong, resilient, and stable throughout the year.

A major innovation milestone was also achieved during the year, with BOC successfully delivering and installing Kenya's first-ever Modified Atmosphere Packaging (MAP) solution within the food processing sector. This breakthrough application extends product shelf life, enhances food safety, and improves overall product quality, reinforcing BOC's leadership in advanced gas applications and technological innovation. The installation marks an important step in modernizing Kenya's food value chain and demonstrates the Company's capability to introduce globally proven solutions into the local market.

Customer Engineering Services continued to contribute strongly to performance, with the successful delivery of medical gas pipe installations and system enhancement projects across multiple healthcare facilities.

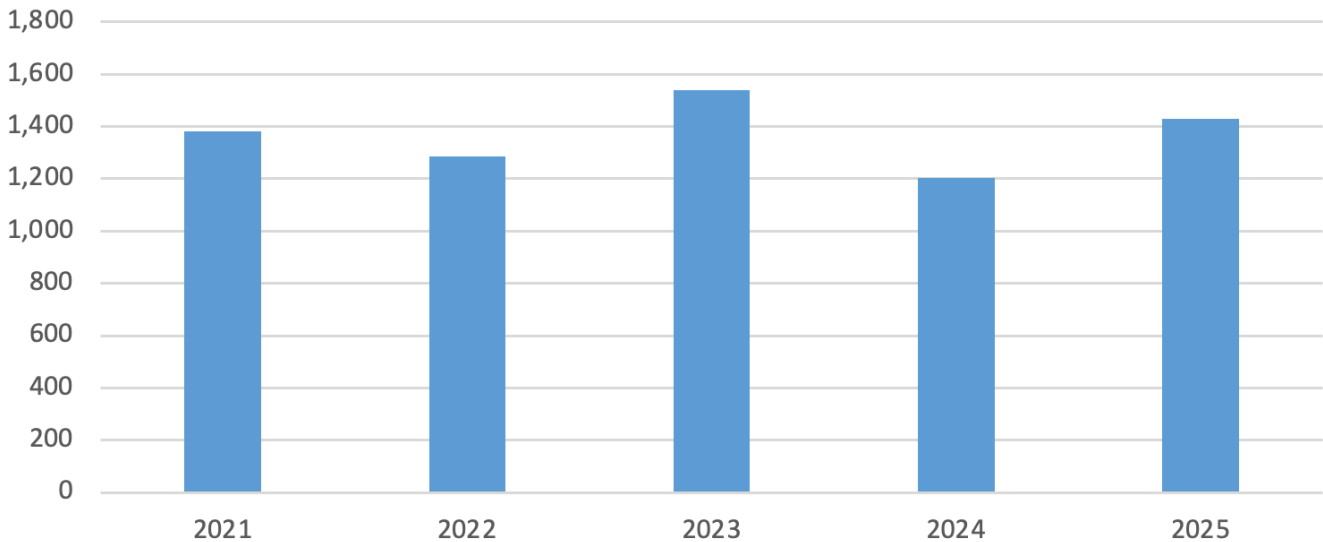
## MANAGING DIRECTOR'S REPORT (Continued)

These projects further reinforced the Company's technical expertise and played a meaningful role in supporting the ongoing strengthening of national healthcare infrastructure.

The Company also expanded its partner training programs during the year, focusing on product knowledge, safety, gas applications, and service quality. These initiatives improved partner competence and consistency, strengthening service delivery standards and enhancing the customer experience across the broader distribution network.

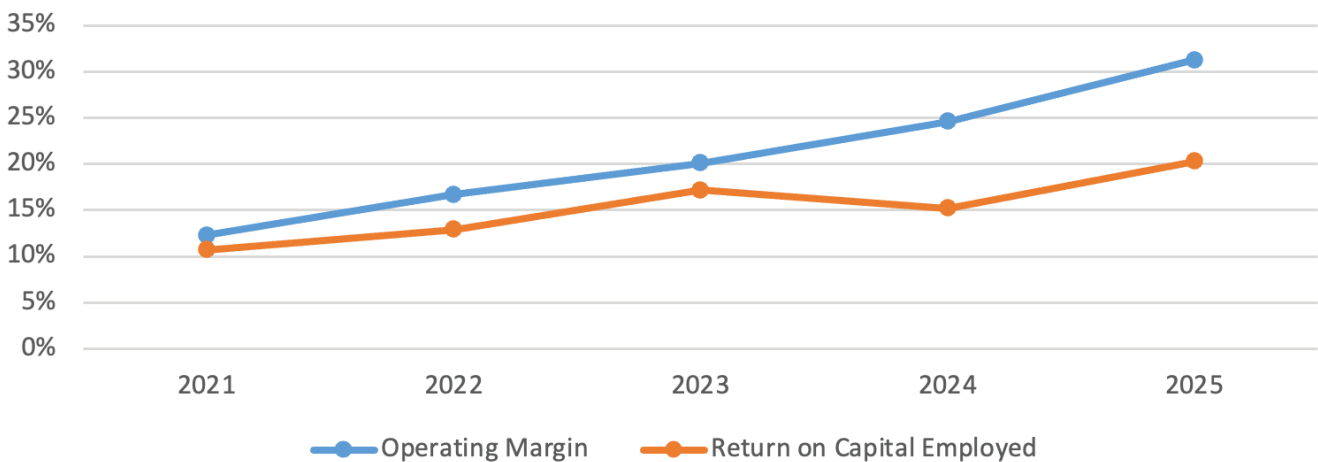
In addition, distribution efficiency improved significantly during the year, supported by targeted initiatives aimed at enhancing delivery reliability and reducing operational costs. Route optimization tools were introduced to shorten turnaround times and improve fleet utilization, while enhanced vehicle tracking and performance monitoring strengthened operational visibility. Improved coordination between production and logistics teams further ensured timely dispatch and consistent delivery performance across both medical and industrial customer segments.

### Revenue



### Profitability and Return on Capital Employed (ROCE)

#### Operating Margin and Return on Capital Employed



## MANAGING DIRECTOR'S REPORT (Continued)

Gross profit increased by approximately 13%, supported by strong commercial execution and operational discipline. Operating profit grew by nearly 50%, while profit before tax increased by about 50%. Profit for the year improved by approximately 48%, demonstrating the effectiveness of the Company's strategy and sustained operational performance across key segments.

	2021	2022	2023	2024	2025
Revenue	1,381,768	1,287,250	1,539,342	1,204,201	1,427,046
Gross profit	40.50%	40.70%	49.10%	49.82%	47.56%
Distribution costs	105,122	130,709	158,626	95,735	88,887
Selling & Admin costs	204,781	329,571	328,056	281,715	206,187
Operating profit	170,003	214,483	310,079	296,445	443,663
Operating profit/sales	12.30%	16.70%	20.10%	24.62%	31.09%
Quick assets <sup>2</sup>	585,794	277,118	632,182	676,843	1,050,605
Quick ratio	1.5	0.9	1.8	2.3	2.8
Liquidity ratio	2.9	3.9	3.9	4.8	4.5
Debt to equity ratio	0.3	0.2	0.2	0.2	0.2
Long term debt	Nil	Nil	Nil	Nil	Nil
Dividends	85,912	118,129	118,129	168,895	250,902
Dividend per share (KShs)	4.4	6.05	6.05	8.65	12.85
Capital expenditure	52,212	89,106	15,922	36,877	1,383
Return on total assets	8.5%	11.0%	14.4%	13.2%	17.2%

1. All figures in Kenya shilling thousands (KShs 000) unless indicated otherwise
2. Quick assets comprise bank balance and term deposits. Trade debt is excluded.

### Outlook

The strategic focus for 2026 will drive a balanced contribution from all sectors of the business. Efforts will continue to broaden the Company's partner network, supporting wider market access and nationwide solution delivery.

Operational efficiency initiatives will target productivity improvements in production and distribution, aimed at enhancing turnaround times, resource utilization, and customer experience. Strengthening credit control remains a key priority, with continued focus on collections excellence and risk management. Digitization efforts will be accelerated to streamline internal processes, enhance customer interactions, and support data-driven decision-making. Compliance will remain a cornerstone of operations, reinforcing the Company's commitment to strong governance and responsible business practice.

While external uncertainties persist, including global economic volatility and early shifts in business sentiment ahead of Kenya's 2027 general elections, the Company remains well positioned to navigate these dynamics through a resilient strategy and disciplined execution.

## **MANAGING DIRECTOR'S REPORT (Continued)**

### **Appreciation**

The Company extends its sincere appreciation to all customers, suppliers, and partners for their continued support. Appreciation is also conveyed to the Board of Directors for their guidance, and to the shareholders for their confidence in the Company's leadership. Management remains committed to delivering sustained value and continued progress in the years ahead.

**Mr. L Githinji**  
**Managing Director**

**15<sup>th</sup> April 2026**

## GRI SUSTAINABILITY REPORT

Powering Industry. Protecting People. Preserving Tomorrow.  
Delivering essential solutions through safe and efficient operations.

### This GRI report includes the following sections:

- Statement From Leadership
- About This Report
- About BOC Kenya PLC
- Governance and Ethics
- Workplace Practices
- Material Topics
- Environmental Performance
- Social Performance
- Economic Performance
- GRI Content Index

## STATEMENT FROM LEADERSHIP

### Message From the Board Chairman

At BOC Kenya PLC, we recognize that our long-term business success is closely linked to how effectively we manage our environmental, social and governance responsibilities.

As a Board, we remain committed to ensuring that Sustainability is embedded not only within our strategy but in our risk management processes and operational decision-making.

During 2025, the Board continued to strengthen oversight of safety performance, climate- related risks, operational resilience, and ethical business conduct. In a sector where our products support critical national infrastructure, including healthcare and manufacturing, we recognise our responsibility to operate safely, reliably, and responsibly at all times.

**Occupational safety remains our highest priority. The Board maintains zero tolerance for unsafe practices and continues to support investments in safety systems employee training and operational controls designed to protect our people contractors' customers and communities.**

We also recognise the growing importance of climate change and resource efficiency. The Board is committed to supporting initiatives that improve energy efficiency, reduce emissions intensity, and strengthen our resilience to evolving regulatory and market expectations.

Good governance remains central to our sustainability journey. We continue to promote a strong ethical culture, robust compliance systems, and transparent stakeholder engagement practices.

On behalf of the Board, I am proud of the progress made during the year and remain confident in BOC Kenya PLC's ability to create long-term value for our stakeholders while contributing positively to Kenya's sustainable development.

## **GRI SUSTAINABILITY REPORT (Continued)**

### **STATEMENT FROM LEADERSHIP (Continued)**

#### **Message from the Managing Director**

At BOC Kenya PLC, sustainability is not a standalone programme — it is embedded in how we operate, how we serve our customers, and how we support Kenya’s economic and social development. In 2025, we continued to focus on the areas that matter most to our business and our stakeholders: safety, environmental performance, operational excellence, product quality, and workforce capability.

Our teams worked diligently to maintain safe operations while ensuring reliable supply to customers across healthcare, manufacturing, and other critical sectors. Safety remains our number one priority. We continued to strengthen our safety culture through training, risk management processes, and leadership engagement across all operational sites. We remain committed to achieving our goal of zero harm.

We also continued to improve how we manage energy use and greenhouse gas emissions. By improving operational efficiency and maintaining our production systems effectively, we aim to reduce environmental impacts while maintaining high service standards for our customers.

Our people remain central to our success. During the year, we invested in training and skills development to ensure our workforce remains competent, safe, and prepared for the future. Looking ahead, we will continue to strengthen our sustainability performance, improve transparency in reporting, and align with global best practice standards.

I would like to thank our employees, customers, partners and stakeholders for their continued trust and support.

## GRI SUSTAINABILITY REPORT (Continued)

### ABOUT THIS REPORT

This Sustainability Report presents BOC Kenya PLC's environmental, social, and governance (ESG) performance for the period 1 January 2025 to 31 December 2025.

#### Reporting frequency

This Sustainability Report is prepared annually to provide a detailed overview of our organization's efforts and achievements in promoting sustainable practices.

#### Reporting Standards

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards (2021). Where relevant, the report also considers emerging global sustainability reporting expectations and climate-related disclosure practices.

#### Reporting Scope

The report covers BOC Kenya PLC operations within Kenya, including production, cylinder filling and storage, logistics and distribution and corporate functions.

Where applicable, impacts within the value chain have been considered, particularly where they relate to safety, environmental performance, and responsible business conduct.

#### Reporting Approach

Data included in this report is based on internal management systems, operational records and performance monitoring processes.

#### Contact Point

For any inquiries or further clarifications regarding this report, contact us through email at [boceastafrica@boc.com](mailto:boceastafrica@boc.com).

#### Reporting Principles and Quality of Information

BOC Kenya PLC is committed to ensuring that the information presented in this Sustainability Report is reliable, balanced and decision useful to stakeholders. In preparing this report, the company applied internationally recognised reporting principles to ensure the quality and integrity of disclosures.

The report has been prepared in accordance with the GRI Standards (2021) and the following reporting qualities were applied throughout the report development process:

#### Accuracy

Information disclosed in this report is based on internal operational data, management systems and verified records to ensure that reported information is as precise and reliable as possible.

#### Completeness

The report aims to present a balanced view of BOC Kenya PLC's Sustainability performance, covering all material topics and significant impacts across operations and relevant parts of the value chain.

#### Balance

The report reflects both positive performance and areas where improvement is required to provide stakeholders with a fair and transparent view of performance.

## **GRI SUSTAINABILITY REPORT (Continued)**

### **ABOUT THIS REPORT (Continued)**

#### **Clarity**

Information is presented in a clear and understandable format to support accessibility for a wide range of stakeholders.

#### **Comparability**

Where possible, performance data is presented in a manner that allows comparison over the last three years and alignment with global industry practices.

#### **Reliability**

Internal controls, governance processes and management oversight support the reliability of the information disclosed in this report.

#### **Timeliness**

This report reflects performance during the 2025 reporting period and is published to support timely stakeholder decision-making.

#### **Sustainability Context**

Our Sustainability performance is presented within the broader context of Kenya's economic, environmental and social priorities, as well as global Sustainability challenges. This report reflects how the company's activities contribute to national development priorities, the United Nations Sustainable Development Goals, and responsible industrial growth.

#### **Verifiability**

BOC Kenya PLC is committed to ensuring that the information disclosed in this report can be traced, validated, and reviewed.



## GRI SUSTAINABILITY REPORT (Continued)

### ABOUT THIS REPORT (Continued)

#### Material Topics

This report focuses on Sustainability topics identified as most significant to BOC Kenya PLC and its stakeholders. A collaborative process is in place to ensure that diverse perspectives of our stakeholders are considered thus reflecting the priorities and concerns of those directly impacted by our Sustainability matters. Our material topics include:



#### Occupational Health and Safety

The handling, storage, and distribution of industrial and medical gases present inherent operational risks.



#### Energy Use and Efficiency

Energy is a core operational input and improving efficiency supports cost management and the reduction of environmental impacts.



#### Product Safety and Quality

We supply gases used in safety-critical applications, particularly in healthcare and industrial processes.



#### Emissions and Climate Change

The energy-intensive nature of gas production and distribution directly influences the company's environmental footprint.



#### Training and Skills Development

A highly skilled and safety-conscious workforce is essential for safe operations and consistent service quality.



#### Community Engagement and Service

We contribute to local economic development, support essential sectors and maintain responsible operations.

#### Reporting Approach

Data included in this report is based on internal management systems, operational records and performance monitoring processes.

#### Forward-Looking Statements

This report may include forward-looking statements based on current expectations and assumptions. Actual results may differ due to external factors including regulatory, economic and market conditions.

## GRI SUSTAINABILITY REPORT (Continued)

### ABOUT BOC KENYA PLC

BOC Kenya PLC supplies industrial, medical and specialty gases to support critical sectors including healthcare, manufacturing, food processing, energy and research. The company contributes to Kenya's economic development by enabling safe industrial operations, supporting healthcare delivery and promoting responsible resource use.

The company operates production, filling, storage and distribution facilities across Kenya and maintains strict operational controls to ensure product quality, safety and reliability for customers.

### Our Approach to Sustainability

BOC Kenya PLC integrates sustainability into its strategy, operations and decision-making processes, recognising that long-term business success depends on responsible environmental stewardship, strong governance, and positive social impact.

The company's sustainability approach is guided by global best practice frameworks and focuses on managing environmental impacts, protecting people, supporting communities, and contributing to sustainable economic growth.

BOC Kenya PLC is committed to supporting nine United Nations Sustainable Development Goals (SDGs) that are most relevant to its operations, value chain and societal impact.



These SDGs guide the company's priorities in safety performance, workforce development, environmental management, ethical business conduct, and collaboration with stakeholders.

### Commitment to The United Nations Global Compact

BOC Kenya PLC is a long-standing participating member of the United Nations Global Compact, reinforcing its commitment to responsible business practices and sustainable development. The United Nations Global Compact provides a guiding framework for BOC Kenya PLC's sustainability strategy and supports the company's commitment to ethical, transparent, and responsible operations.

### Embedding Sustainability into Business Operations

Sustainability at BOC Kenya PLC is embedded through:

- a. Strong governance and ethical business practices
- b. Safe and responsible operations
- c. Environmental performance management










## GRI SUSTAINABILITY REPORT (Continued)

### ABOUT BOC KENYA PLC (Continued)

#### Embedding Sustainability into Business Operations (Continued)

- d) Workforce training and development
- e) Stakeholder engagement and partnerships

The company continuously seeks opportunities to improve efficiency, reduce environmental impact, and enhance the safety and wellbeing of employees, customers, and communities.

	SDG	How BOC Contributes	Impact
	SDG 3 – Good Health and Wellbeing	Supply of medical gases and safety-focused operations	Supports healthcare delivery and patient safety.
	SDG 5 – Gender Equality	Inclusive workplace practices and equal opportunity employment	Supports workforce diversity and inclusion
	SDG 6 – Clean Water and Sanitation	Responsible water management and regulatory compliance	Protects local water resources
	SDG 7 – Affordable and Clean Energy	Energy efficiency initiatives and operational optimisation	Reduces energy intensity and environmental footprint
	SDG 8 – Decent Work and Economic Growth	Safe workplaces, skills development, and employment creation	Supports economic growth and workforce wellbeing
	SDG 12 – Responsible Consumption and Production	Efficient resource use and responsible operational practices	Reduces waste and improves resource efficiency
	SDG 13 – Climate Action	Emissions monitoring and reduction initiatives	Supports climate mitigation efforts
	SDG 16 – Peace, Justice and Strong Institutions	Strong governance, ethics, and compliance frameworks	Supports ethical and transparent business practices
	SDG 17 – Partnerships for the Goals	Collaboration with customers, regulators, and industry partners	Enables collective sustainability progress

UN Global Compact Pillar	BOC Kenya Implementation
Human Rights	Safe workplaces, respect for employee rights, responsible supply chain engagement
Labour Standards	Skills development, fair employment practices, safe working conditions
Environment	Energy efficiency, emissions monitoring, environmental compliance
Anti-Corruption	Code of conduct, compliance training, ethical business practices

## GRI SUSTAINABILITY REPORT (Continued)

### GOVERNANCE AND ETHICS

Strong governance and ethical leadership have a direct and significant impact on BOC Kenya PLC's ability to operate responsibly, maintain stakeholder trust, and deliver sustainable long-term value. Effective oversight by the Board of Directors supports regulatory compliance, financial stability, risk mitigation and responsible management of economic, environmental, and social impacts.

#### *Governance Structure and Composition of the Highest Governance Body*

The highest governance body of BOC Kenya PLC is its Board of Directors. The Board comprises:

- A Non-Executive Chairman
- Executive Directors
- Independent Non-Executive Directors
- A Company Secretary, who is a member of the Board

The Chair of the Board is not a member of management, ensuring a clear separation between oversight and executive functions.

The Board provides strategic oversight and is responsible for:

- Approving corporate strategy and key policies
- Ensuring regulatory compliance
- Overseeing risk management frameworks
- Monitoring financial performance
- Upholding high standards of corporate governance

To support its responsibilities, the Board operates through established committees, including Audit Committee, Risk Committee, Remuneration Committee and the Nominations and Governance Committee. These committees provide focused oversight and enhance the effectiveness of governance processes.

*Strategic oversight, governance, and decision-making are exercised in line with the Company's commitment to transparency, accountability, and effective leadership.*

#### **Nomination and Selection of Board Members**

Board appointments are overseen by the Nominations and Governance Committee which ensures that selection processes are structured, transparent and merit based. In assessing potential Board members, the Committee considers:

- Skills and professional expertise
- Independence
- Diversity of experience and perspective
- Succession planning needs

Appointments are subject to approval by the Board and shareholders. This structured approach ensures that the Board maintains the appropriate balance of competencies required to oversee the Company's strategy and impacts effectively.

## **GRI SUSTAINABILITY REPORT (Continued)**

### **GOVERNANCE AND ETHICS (Continued)**

#### **Role of the Board in Overseeing Impacts**

The Board plays a central role in overseeing the management of BOC Kenya PLC's economic, environmental and social impacts.

Its responsibilities include:

- Setting strategic direction
- Approving policies and performance targets
- Monitoring operational and sustainability performance
- Ensuring effective risk management and compliance systems
- Maintaining accountability for corporate conduct

Through this oversight, the Board ensures that sustainability considerations are embedded within business decision-making and long-term value creation.

#### **Delegation of Responsibility and Sustainability Governance Structure**

While the Board retains ultimate accountability, it delegates responsibility for the day-to-day management of impacts to executive management, led by the Managing Director. Executive management is responsible for:

- Implementing Board-approved sustainability, risk, and compliance strategies
- Managing operational risks and impacts
- Integrating sustainability considerations into business processes
- Reporting regularly to the Board on performance and emerging risks

This delegation framework ensures clear accountability while enabling effective operational management.

#### **Role of the Board in Sustainability Reporting**

The Board oversees sustainability reporting to ensure transparency and credibility. Specifically, the Board:

- Reviews and approves sustainability disclosures
- Ensures alignment with corporate strategy and applicable reporting standards
- Safeguards the integrity, accuracy and completeness of reported information
- Promotes transparency with stakeholders

This oversight reinforces stakeholder confidence in the Company's disclosures.

#### **Ethical Conduct and Management of Conflicts of Interest**

BOC Kenya PLC maintains a strong ethical framework to guide behaviour across the organisation.

Conflicts of interest are managed through:

- Mandatory disclosures by Board members and employees Recusal from deliberations and decisions where conflicts arise
- Adherence to established ethics policies
- Oversight by the Board and executive management

These measures promote impartial decision-making and protect the integrity of governance processes.

## **GRI SUSTAINABILITY REPORT (Continued)** **GOVERNANCE AND ETHICS (Continued)**

### **Communication of Critical Concerns**

The Company maintains structured mechanisms to ensure that significant issues are escalated appropriately to the highest governance body.

Critical concerns may be communicated through:

- Management reporting processes
- Board and committee meetings
- Internal escalation procedures
- Whistleblowing channels

These systems support transparency, early risk identification and timely response to emerging issues.

### **Collective Knowledge, Skills and Evaluation of the Board**

The Board maintains its effectiveness through a competency-based composition and ongoing evaluation.

Key practices include:

- Selection based on professional expertise and experience
- Ongoing training and development
- Regular performance evaluations
- Access to independent external expertise where required

These measures ensure that the Board retains the collective knowledge necessary to oversee complex economic, environmental and social matters.

### **Role of the Board in Managing Impacts**

The Board plays a crucial role in the governance of the organization by managing the impacts of its operations through a multifaceted approach.

By setting a comprehensive strategy, the Board ensures that BOC's vision aligns with its long-term goals and values. Furthermore, the Board is responsible for approving policies and targets that reflect both the organization's aspirations and regulatory requirements. These policies establish clear guidelines for ethical conduct and operational excellence, fostering a culture of accountability and transparency throughout the organization.

In addition, the Board actively oversees risk management processes to safeguard the organization's interests. This involves identifying potential risks and implementing measures to mitigate their impact. By regularly monitoring performance across these areas, the Board can gauge the effectiveness of the organization's initiatives and make informed decisions to drive continuous improvement.

Sustainability is demonstrated through action — today and for generations to come.



The Board maintains its effectiveness through a competency-based composition and ongoing evaluation.

## GRI SUSTAINABILITY REPORT (Continued)

### WORKPLACE PRACTICES

#### Employees and Workers

The company's workforce is composed of 55 full-time employees, reflecting a stable and structured employment model. Of these, 13 are female and 42 are male, demonstrating ongoing efforts toward gender inclusion while highlighting opportunities to further strengthen diversity.

The organization does not engage non-employee workers whose work is controlled by the company, ensuring that all operational activities are carried out by directly employed personnel. This approach supports clear accountability, consistent application of policies, and alignment with organizational standards across the workforce.

#### Embedding Policy Commitments

The company embeds its policy commitments across the organization through accessible and structured internal systems. All key policies are housed within the HR portal, ensuring that employees can easily access, understand and adhere to organizational standards. This centralized platform supports consistent communication of policies and reinforces accountability, enabling employees at all levels to align their actions with the company's governance, ethical, and operational requirements.

#### Processes to Remediate Negative Impacts

BOC Kenya PLC has established formal processes to remediate negative impacts through a comprehensive grievance mechanism and whistleblowing framework. Employees and stakeholders are provided with dedicated channels, including whistleblowing phone lines, to report concerns confidentially. These mechanisms ensure that issues are addressed promptly, fairly and transparently, supporting timely resolution and continuous improvement.

#### Mechanisms for Seeking Advice and Raising Concerns

A formal grievance policy is in place to guide employees and stakeholders in seeking advice and raising concerns. This policy outlines clear procedures for reporting issues, ensuring that concerns can be escalated through appropriate channels without fear of retaliation. The framework promotes an open culture of communication, enabling early identification and resolution of potential issues.

#### Compliance with Laws and Regulations

The company is committed to full compliance with applicable laws and regulations and has mechanisms in place to uphold this commitment. Compliance is further reinforced through the existence of a Collective Bargaining Agreement (CBA), which governs employee relations and ensures alignment with labor laws and standards. This structured approach supports legal compliance, fair labor practices, and strong stakeholder trust.

#### Collective Bargaining Agreements

The company recognizes the importance of collective bargaining in promoting fair labor practices and constructive employee relations. Currently, 50% of employees are covered by collective bargaining agreements (CBAs), reflecting a structured approach to employee engagement, representation and protection of workers' rights. Through these agreements, the organization ensures compliance with labor laws, supports transparent dialogue between management and employees and fosters a collaborative work environment. The continued application of CBAs strengthens trust, enhances workplace stability and contributes to equitable and consistent employment conditions.

## GRI SUSTAINABILITY REPORT (Continued)

### WORKPLACE PRACTICES (Continued)

#### Remuneration Policies and Processes

The remuneration of the highest governance body and senior executives is guided by the Linde Philosophy, which ensures that compensation structures are competitive, equitable and aligned with organizational performance and long-term value creation. The approach integrates both fixed and variable components, taking into account individual performance, business results and market benchmarks. Remuneration policies are designed to attract, retain and motivate qualified leaders while reinforcing accountability and ethical conduct.

The process for determining remuneration is overseen through established governance structures, including the Remuneration Committee, ensuring independence and objectivity in decision-making.

Adjustments to remuneration are informed by Cost-of-Living Adjustments (COLA) to maintain fairness in response to economic conditions, as well as Collective Bargaining Agreements (CBAs), where applicable, to ensure alignment with negotiated employee terms. This structured approach promotes transparency, consistency, and alignment with both organizational strategy and stakeholder expectations.

#### Membership Associations

The company maintains active membership in key industry and professional associations to support collaboration, knowledge sharing and alignment with best practices in governance, sustainability and economic development. These memberships enable the organization to contribute to industry dialogue, stay informed on regulatory and market developments and strengthen its stakeholder engagement.

The company is a member of the Kenya Association of Manufacturers (KAM), Federation of Kenya Employers (FKE), United Nations Global Compact, Kenya Healthcare Federation (KHF), Capital Markets Authority (CMA) and Nairobi Securities Exchange (NSE).

Through these affiliations, the company engages in policy advocacy, promotes responsible business conduct, and aligns its operations with both local and global sustainability standards.

Sustainability is demonstrated through action — today and for generations to come.

Our Stakeholder engagement guides on the material topics we focus on.



The company is a member of the Kenya Association of Manufacturers (KAM) and other affiliations.

## GRI SUSTAINABILITY REPORT (Continued)

### MATERIAL TOPICS

We recognize that our long-term business strategy is inextricably linked to our ability to manage environmental, social and economic impacts that matter most to our stakeholders. This year's materiality assessment was driven by direct engagement with employees, distributors and investors to ensure our reporting remains relevant, faithful and focused on the highest risks and opportunities for the business.

#### Process To Determine Material Topics

BOC Kenya PLC identifies its material topics through a multi-stakeholder engagement process designed to capture diverse perspectives on our economic, environmental, and social impacts. In the recent reporting period, we engaged three primary groups:

- Employees who provided insights on operational safety and efficiency.
- Distributors who assessed the importance of sustainable supply chains and life cycles.
- Investors who gave strategic feedback regarding long-term business viability and governance.

#### List Of Material Topics

The following topics were identified as material:

##### Occupational Health and Safety

Ranked as the highest risk for business disruption by 50% of employees. Employees take it as a critical area requiring continuous improvement, particularly in near- miss reporting, emergency preparedness, communication on safety incidents, and safe handling and transportation of products.

##### Water and Waste Management

Highlighted by stakeholders as a key environmental responsibility, employees emphasized water conservation initiatives such as recycling and rainwater harvesting

##### Anti-Corruption & Governance

100% of surveyed investors and 67% of employees consider transparent whistleblower mechanisms and anti-corruption policies as "very important".

##### Energy Efficiency & Climate Change

Identified by investors as critical for long-term strategy. Employees climate-related supply chain disruptions as key risks and stressed the importance of regulatory compliance and integrating sustainability into daily operations

## GRI SUSTAINABILITY REPORT (Continued)

### ENVIRONMENTAL PERFORMANCE

BOC's initiatives are aimed at conserving energy, efficient water use and managing waste effectively.

#### Impact

Energy is a critical input in BOC Kenya PLC's operations. High energy consumption contributes to greenhouse gas emissions, increases operational costs and can place additional demand on national energy resources. Efficient energy use is therefore essential to reducing environmental impact, supporting climate change mitigation efforts, improving operational resilience and ensuring responsible use of resources.

#### Management of Impact

BOC is committed to managing the impact of energy use through a multifaceted approach that ensures meticulous tracking of energy consumption across all operations to identify areas for improvement and implement strategies that reduce waste. Additionally, the company has invested in efficient technologies to enhance operational performance while minimizing our environmental footprint. We conduct preventive maintenance to ensure that all equipment operates at peak efficiency further conserving energy resources. To foster a culture of Sustainability, the company actively promotes energy awareness, encouraging staff to adopt practices that contribute to energy savings and environmental responsibility.

#### Performance

In the past year, the organization reported an energy consumption of 7,673,878 kWh, reflecting a focused effort on energy management. Notably, there was a significant reduction in energy consumption of 736,498 kWh compared to 2024, showcasing the organization's commitment to improving its energy efficiency.

#### Efficient cryogenic storage and handling systems help minimise energy losses during gas storage and transfer.

The table below illustrates the company's energy consumption as well as the results of the efficiency measures we continue to adhere to.

Energy Use and Efficiency	2022	2023	2024	2025
Energy Consumption (kWh)	7,335,157	8,794,464	8,410,376	7,673,878
Change in energy consumption (kWh)		+1,459,307	-384,088	-736,498
% Change		+19.89%	-4.37%	-8.76%

The energy intensity, which measures the energy used per unit of production, stood at 2.02 kWh/kg, indicating the efficiency of energy usage in relation to production output. Furthermore, energy consumption outside the organization, categorized as Scope 3 emissions related to transport and product use, was recorded as none. However, there were no reductions in energy requirements for products and services during this period.

## GRI SUSTAINABILITY REPORT (Continued)

### ENVIRONMENTAL PERFORMANCE (Continued)

Energy consumption outside the organization related to transport and product use was recorded as none. The organization currently reports on Scope 1 and Scope 2 energy consumption. However, measurements for certain indirect energy use categories is not yet available, as these data streams have historically not been tracked within operational monitoring systems. The organization is in the process of strengthening data management processes to enable more comprehensive energy tracking in future reporting periods. There were no reductions in energy requirements for products and services during this period

#### Water Use & Efficiency

Water is an important operational resource used in production processes, equipment cooling, cleaning activities and facility maintenance. Inefficient water use can contribute to resource depletion, increased operational costs and negative environmental impacts on local water systems. Responsible water management is therefore essential to ensure sustainable operations, regulatory compliance and protection of shared water resources.

#### Management Of Impact

BOC Kenya PLC manages water use through operational controls, efficiency initiatives, and compliance with applicable environmental regulations. The organization focuses on reducing water consumption where possible while maintaining operational reliability and safety standards. During the reporting period, we implemented several measures to improve water efficiency and reduce consumption including:

- Routine inspection and maintenance of water systems to prevent leaks and losses
- Optimization of operational processes to minimize unnecessary water use
- Monitoring of water consumption across operational areas
- Employee awareness initiatives promoting responsible water use practices

#### Performance

The company has made notable progress in its consumption patterns. In 2024, the total water usage was recorded at 6,793.84m<sup>3</sup>. However, in the following year, the company successfully reduced its consumption to 6,281m<sup>3</sup> cubic meters. This significant decrease of over 500m<sup>3</sup> demonstrates the organization's proactive approach to minimizing its environmental impact.

Water Use and Efficiency	2022	2023	2024	2025
Water Consumption (m <sup>3</sup> )	5,112.6	5,532.83	6,793.84	6,281
Change in water consumption (m <sup>3</sup> )		+420.23	+1,261.01	-512.84 m <sup>3</sup>
% Change		+8.22%	+22.79%	-7.55%

Water collection and controlled drainage infrastructure supports monitoring and efficient use of water within operations.

## **GRI SUSTAINABILITY REPORT (Continued)**

### **ENVIRONMENTAL PERFORMANCE (Continued)**

#### **Waste Management**

##### **Impact**

BOC Kenya PLC's operations generate waste primarily from production support activities, packaging materials, maintenance processes and general operational activities. If not properly managed, waste can contribute to environmental pollution, inefficient use of resources, increased disposal costs and potential regulatory risks. Responsible waste management is therefore important to minimise environmental impact, support resource efficiency and ensure compliance with environmental regulations while maintaining safe and efficient operations.

##### **Management Of Impact**

BOC Kenya PLC manages waste through operational controls, responsible disposal practices, and continuous efforts to improve waste minimisation and resource efficiency across its operations.

During the reporting period, the organization implemented measures to improve waste management performance, including:

- Segregation of waste streams to support safe handling and appropriate disposal
- Responsible disposal of hazardous and non-hazardous waste through licensed service providers
- Preventive maintenance and operational efficiency improvements to reduce waste generation
- Reuse of materials where operationally feasible
- Employee awareness initiatives to promote responsible waste handling and reduction practices

Structured waste handling and routine housekeeping supports compliance, operational efficiency and environmental performance improvement.

##### **Performance**

In 2025, the total weight of waste generated by the company was 345,906 kilograms and of these 343,924 kilograms, was successfully diverted from disposal, demonstrating the company's commitment to effective waste management practices. The minimal amount of 1,982 kilograms was directed to disposal, showcasing an exceptional achievement in waste reduction.

This success was further underscored by the company's adherence to the ISO 14001:2015 standards, which reinforce its dedication to environmental management. With Linde monitoring the initiatives, the company proudly achieved an outstanding 99.8% compliance with its Zero Waste program, reflecting a significant milestone in sustainable operations and a growth from the 99.5% waste diversion rate of 2024.

##### **Materials Impact**

BOC Kenya PLC's primary material inputs relates to steel cylinders used for storage and distribution of gases, packaging materials and operational consumables. The production, procurement and disposal of these materials can contribute to resource depletion, increased environmental footprint and waste generation if not managed responsibly. Efficient material use and lifecycle management are therefore important to reducing raw material demand, minimising waste, and supporting responsible consumption and production practices.

Refurbishment and reuse of steel cylinders extend product lifecycles and reduces the need for new material inputs, supporting our commitment to material efficiency and responsible resource use.

## GRI SUSTAINABILITY REPORT (Continued)

### ENVIRONMENTAL PERFORMANCE (Continued)

#### Management Of Impact

BOC Kenya PLC manages material use through lifecycle management of cylinders, responsible procurement practices, and waste reduction initiatives designed to improve resource efficiency and reduce environmental impact.

- Regular inspection, maintenance and refurbishment of steel cylinders to extend useful life
- Repainting and reconditioning of cylinders to support safe and prolonged reuse
- Safe withdrawal and responsible disposal of cylinders that reach end-of-life
- Procurement of durable, high-quality cylinders and materials designed for long-term use
- Engagement with approved suppliers that meet quality and safety standards
- Monitoring of material condition to reduce premature replacement
- Reuse of materials where operationally feasible

#### Performance

##### *Materials used by weight or volume*

BOC Kenya PLC tracks the consumption of raw materials essential to the production of industrial gases to ensure operational efficiency and resource stewardship. For the production of Dissolved Acetylene during this reporting period, the primary non-renewable raw materials consumed were Calcium Carbide: 139,040 kg and Acetone 6,142 kg.

##### *Recycled input materials used*

During the current reporting period, 0 kg of recycled input materials were used in the primary production process. While our current industrial gas generation processes rely on virgin raw materials to meet strict purity and safety standards, BOC Kenya PLC remains committed to exploring future opportunities for integrating recycled technical grade inputs where feasible and safe.

##### *Reclaimed products and their packaging materials*

As part of our commitment to extended producer responsibility and the reduction of environmental footprint in our supply chain, we actively manage the reclamation of downstream packaging. During the reporting period, we successfully reclaimed and recycled 4,928 kg of Calcium Carbide drums.

This initiative prevents significant metal waste from entering landfills and aligns with the feedback received from our Distributors, 100% of whom identified efficient systems for the responsible return and recycling of product packaging as a high-priority sustainability practice.

#### Biodiversity

##### *Impact*

BOC Kenya PLC's operations primarily involve industrial gas production storage, and distribution within established industrial and commercial areas. As a result, the company's direct impact on natural habitats and biodiversity is limited. However, the organization recognizes that responsible land use, environmental management and compliance with regulatory requirements remain important in preventing potential environmental harm and supporting broader ecosystem protection efforts.

## **GRI SUSTAINABILITY REPORT (Continued)**

### **ENVIRONMENTAL PERFORMANCE (Continued)**

#### **Management Of Impact**

Although biodiversity has not been identified as a material topic for BOC Kenya PLC due to the nature and location of its operations, the organization maintains environmental management practices designed to minimise potential impacts on surrounding environments.

These include:

- Compliance with national environmental regulations and land-use requirements
- Maintenance of operational sites to prevent soil contamination and environmental degradation
- Responsible waste and water management to reduce potential environmental harm
- Environmental monitoring and periodic internal reviews to ensure continued compliance

#### **Performance**

##### ***Operational Sites in or Adjacent to Protected Areas***

BOC Kenya PLC does not own, lease, or manage operational sites located in or adjacent to protected areas or areas of high biodiversity value.

##### ***Significant Impacts on Biodiversity***

No significant impacts of the organization's activities, products, or services on biodiversity were identified during the reporting period.

##### ***Habitats Protected or Restored***

No habitats were required to be protected or restored as a result of the organization's operations during the reporting period.

##### ***IUCN Red List Species and National Conservation List Species***

The organization is not aware of any operational activities affecting species listed on the IUCN Red List or national conservation lists.

#### **Emissions**

##### ***Impact***

BOC Kenya PLC's operations involve production, storage and distribution activities that may result in greenhouse gas (GHG) emissions through energy consumption, fuel use and operational processes.

Emissions contribute to climate change, which poses environmental, economic and regulatory risks globally and locally. Responsible management of emissions is therefore important to reducing environmental impact, supporting climate mitigation efforts, and aligning with evolving stakeholder and regulatory expectations.

## GRI SUSTAINABILITY REPORT (Continued)

### ENVIRONMENTAL PERFORMANCE (Continued)

#### Management of Impact

Although emissions have not been identified as a significant material impact in the reporting period, BOC Kenya PLC recognises the importance of managing energy use and operational efficiency to minimise potential emissions.

The company manages potential emissions through:

- Monitoring and reducing energy consumption across operations
- Maintaining equipment to ensure optimal efficiency
- Implementing operational controls to prevent leaks or unintended releases
- Compliance with national environmental regulations

Energy efficiency initiatives implemented during the reporting period contribute indirectly to reducing potential greenhouse gas emissions.

#### Performance

During the reporting period, the organization did not record measurable emissions under the following categories:

1. Direct GHG emissions (Scope 1) – None reported
2. Energy indirect GHG emissions (Scope 2) – None reported
3. Other indirect GHG emissions (Scope 3) – None reported
4. GHG emissions intensity – Not calculated
5. Reduction of GHG emissions – Not reported
6. Emissions of ozone-depleting substances (ODS) – None reported
7. NO<sub>x</sub>, SO<sub>x</sub>, and other significant air emissions – None reported

The absence of reported emissions data reflects that comprehensive emissions tracking and quantification systems have not yet been implemented. However, the organization acknowledges the importance of emissions monitoring and is working toward strengthening internal data collection and reporting processes to enable measurement and disclosure of emissions in subsequent reporting periods.

BOC Kenya PLC remains committed to strengthening environmental stewardship through improved efficiency, responsible resource management, and enhanced monitoring systems. As reporting and data capabilities continue to evolve, the company aims to deepen transparency and drive measurable environmental performance improvements in the years ahead.

Integrated environmental management across energy, materials, water, emissions and waste supports efficient and responsible operations at BOC Kenya PLC.

## GRI SUSTAINABILITY REPORT (Continued)

### SOCIAL PERFORMANCE

#### Occupational health and safety

##### Impact

Occupational health and safety (OHS) practices directly impact employee well-being, operational continuity, productivity and organisational reputation. Effective management of workplace hazards reduces the risk of injury, occupational illness and incidents, while fostering a culture of safety, accountability, and shared responsibility.

Given the nature of the Company's operations, including high-risk activities and the handling of industrial products, maintaining robust OHS systems is critical to protecting employees, contractors, customers and communities. Failure to adequately manage health and safety risks could result in physical harm, operational disruptions, regulatory non-compliance, and reputational damage.

##### Management Of Impact

The Company manages occupational health and safety impacts through a structured OHS management system aligned with ISO 45001:2018, with certification successfully maintained during the surveillance audit. Health, Safety, and Environment (HSE) principles are embedded within the Company's governance framework and form part of line management accountability under the Linde Principles.

A robust and active OHS Committee operates throughout the year, providing oversight, reviewing safety performance and promoting worker participation. Risk registers are maintained and updated regularly, with continuous quarterly risk assessments conducted across operations. For high-risk activities,

Contractor Evaluation System (CES) risk assessments are undertaken to ensure adequate mitigation measures are implemented before work commences.

The Company has developed detailed Occupational Risk Exposure Profiles (OREPs) for all roles and tasks to systematically identify hazards, assess risks, and implement control measures. These profiles inform both operational safeguards and the type of annual medical surveillance required for each employee.

Worker engagement is facilitated through safety committees, GEMBA walks, stand-down sessions, observations, procedure training, incident investigations, and scheduled OHS calendar events. Training programmes are conducted regularly to reinforce safety awareness and competency across all levels of the organisation.

Preventive health services, continuous monitoring, and structured reporting mechanisms collectively ensure that occupational health and safety risks are identified early, mitigated effectively and reviewed continuously.

##### Performance

###### Occupational Health and Safety Management System

During the recent surveillance audit, the organization successfully maintained its ISO 45001:2018 certification, reflecting its ongoing commitment to occupational health and safety standards.

A vibrant Occupational Health and Safety (OHS) Committee actively convened throughout the year, playing a crucial role in overseeing the implementation and performance of safety protocols and initiatives. This dedicated committee not only ensured compliance with established safety measures but also fostered a culture of continuous improvement.

Furthermore, health, safety, and environmental accountability has been effectively embedded within line management responsibilities, ensuring that every manager is actively engaged in promoting a safe and healthy workplace for all employees.

## **GRI SUSTAINABILITY REPORT (Continued)**

### **SOCIAL PERFORMANCE (Continued)**

#### **Management Of Impact (Continued)**

#### **Hazard Identification, Risk Assessment, and Incident Investigation**

The management of risks within the organization has been a priority, as evidenced by the regular updates to the risk registers. These updates ensure that all potential threats are documented and monitored effectively.

#### **Worker participation, consultation and communication on OHS**

Worker participation was actively encouraged through various initiatives aimed at fostering a culture of safety and engagement within the workplace. Safety Committees played the pivotal role of facilitating discussions and promoting collaborative efforts to address safety concerns.

GEMBA walks, where management visits the worksite to observe operations firsthand, allowed employees to voice their insights and experiences, further enhancing communication. Stand-down sessions provided dedicated time for teams to pause regular operations and focus on safety training and discussions.

Observations and procedure training ensured that employees were well-equipped to identify hazards and follow best practices.

Additionally, incident investigations were conducted to learn from past events and prevent future occurrences. The incorporation of Occupational Health and Safety (OHS) calendar events served to keep safety at the forefront of workplace activities, reinforcing the commitment to a safe and healthy work environment.

Collectively, these initiatives not only improved safety standards but also empowered workers to take an active role in their own safety and that of their colleagues, fostering a sense of ownership and responsibility. Through these efforts, BOC continues to demonstrate its dedication to creating a participatory culture where employees feel valued and engaged in the continuous improvement of workplace safety.

#### ***Worker training on OHS***

Throughout the year, a comprehensive range of training programs were conducted to enhance safety and operational efficiency within the organization.

The training began with an essential OHS policy refresher course, ensuring that all employees were up to date with the latest safety protocols. To foster a strong safety culture, a SHEQ induction was provided for all workers at the beginning of the year. Additional training sessions included manual handling techniques, safety committee training and first aid training, equipping employees with vital skills for emergency situations.

Furthermore, specialized training on fire marshal responsibilities and dangerous goods handling for drivers was conducted, along with defensive driving training for new sales representatives, thereby promoting safety on the road and in the workplace.

## **GRI SUSTAINABILITY REPORT (Continued)**

### **SOCIAL PERFORMANCE (Continued)**

#### **Promotion of Worker Health**

Worker health is prioritized through a comprehensive Occupational Health & Safety Management System designed to ensure the well-being of all employees particularly those exposed to industrial gases. This system encompasses annual medical surveillance for these employees, allowing for early detection and intervention of potential health issues.

Additionally, health promotion programs including respiratory protection training and regular wellness checks are implemented to enhance employees' overall health and safety awareness.

Hazard identification and control measures are integral to our OHS framework, ensuring that risks are systematically assessed and mitigated. Furthermore, we actively integrate worker feedback into risk assessments and job safety analyses fostering a culture of safety and continuous improvement.

#### **Prevention and mitigation of OHS impacts directly linked by business relationships**

In accordance with ISO 45001 clause 8.1.4, we verify the safety capabilities of third parties through the mandatory submission of valid licenses, certifications, and documented risk assessments for all contracted activities. This ensures that every partner entering our operational boundary possesses the necessary competence and legal standing to perform work without compromising our "zero-harm" objective.

Safety requirements are legally integrated into our service contracts, mandating that all contractor personnel undergo site-specific inductions before commencement. For tasks identified as high-risk, we enforce a strict Permit-to-Work (PTW) system and require approvals from the SHEQ (Safety, Health, Environment, and Quality) department.

A key highlight of this commitment in 2025 was the installation of six Pressure Swing Adsorption (PSA) tanks across various regions, including Ngao, Mpeketoni, Bura, Dadaab, and Faza.

In 2025, to verify compliance with these expectations, we conducted comprehensive safety audits of major partners, including Carbacid, AGOL, and our entire network of distributors.

Recognizing that distribution is a high-risk phase of our value chain, BOC Kenya follows specialized industry guidance for contractor selection in gas transport. Our safety protocols include Specialized Driver Training: Equipment & Route Analysis and Regulatory Compliance. Continuous monitoring of licenses and adherence to the requirements of the Traffic Act to ensure legal and operational safety on public roads.

#### **Percentage of workers covered by an OHS management system.**

100% of workers are covered by the Company's ISO 45001-certified OHS management system.

#### **Work-related Injury Rates**

In the recent assessment of our safety protocols and incident reports, it is noteworthy to highlight that there were no fatalities and no high-consequence injuries reported, during this period. This achievement reflects the effectiveness of our safety measures and the commitment of our team to maintaining a secure working environment.

#### **Work-related ill health**

In the year 2025, there have been no cases of work-related ill health reported. This positive outcome reflects our commitment to fostering a safe working environment and promoting health awareness so as to minimize risks associated with workplace hazards.

## **GRI SUSTAINABILITY REPORT (Continued)**

### **SOCIAL PERFORMANCE (Continued)**

#### **Employment**

##### **Impact**

Employment practices have a direct and lasting impact on workforce stability, employee well-being and broader socio-economic development. Responsible employment thus contributes to job creation, skills development, income security, diversity and inclusion and employee engagement.

Through its employment practices, the Company contributes to economic participation within the communities in which it operates while fostering a safe, fair and supportive working environment for all employees.

##### **Management of Impact**

The Company manages its employment-related impacts through structured human resource policies, workforce planning processes and compliance with applicable labour legislation. Employment practices are guided by principles of fairness, non-discrimination, equal opportunity and respect for employee rights.

Workforce data including hiring trends, turnover rates, and leave utilisation is regularly monitored to assess workforce stability and inform strategic planning. The Company implements retention strategies focused on employee engagement, professional development, fair remuneration and work-life balance.

Policies governing employee benefits, parental leave and employment conditions are documented, communicated and periodically reviewed to ensure alignment with regulatory requirements and organisational objectives. Through these mechanisms, the Company seeks to maintain a stable, motivated, and productive workforce while

##### **New Employee Hires and Employee Turnover**

During the reporting period, BOC Kenya PLC recorded an employee attrition rate of 1%, reflecting a high level of workforce stability and effective retention practices. This low turnover rate demonstrates strong employee engagement and organisational continuity.

##### **Benefits Provided to Full-Time Employees**

There are no additional benefits provided exclusively to full-time employees that are not available to temporary or part-time employees during the reporting period. Employment benefits are structured in accordance with contractual terms and applicable legal provisions.

##### **Parental Leave**

Eligible employees are entitled to 14 days of parental leave per year in accordance with Company policy. The Company maintains structured processes to ensure employees are able to return to work following leave in line with established employment terms.

BOC Kenya PLC's operations involve production, storage and distribution activities that may result in greenhouse gas (GHG) emissions through energy consumption, fuel use and operational processes.

Emissions contribute to climate change, which poses environmental, economic and regulatory risks globally and locally. Responsible management of emissions is therefore important to reducing environmental impact, supporting climate mitigation efforts, and aligning with evolving stakeholder and regulatory expectations.

## **GRI SUSTAINABILITY REPORT (Continued)**

### **SOCIAL PERFORMANCE (Continued)**

#### **Management of Impact**

Although emissions have not been identified as a significant material impact in the reporting period, BOC Kenya PLC recognises the importance of managing energy use and operational efficiency to minimise potential emissions.

The company manages potential emissions through:

- Monitoring and reducing energy consumption across operations
- Maintaining equipment to ensure optimal efficiency
- Implementing operational controls to prevent leaks or unintended releases
- Compliance with national environmental regulations

Energy efficiency initiatives implemented during the reporting period contribute indirectly to reducing potential greenhouse gas emissions.

#### **Diversity and Equal Opportunity**

##### **Impact**

Workforce diversity enhances innovation, decision-making quality and business performance. Gender and demographic diversity in governance and employee structures contribute to balanced representation, inclusive leadership and equitable opportunity. A lack of diversity may limit perspectives and weaken organisational culture.

Pay equity is fundamental to fairness, employee trust and organisational integrity. Ensuring equal remuneration for work of equal value mitigates the risk of discrimination, strengthens morale, and enhances employer reputation.

##### **Management Of Impact**

The Company promotes diversity and inclusion as a core value embedded in its employment and leadership practices. Recruitment, promotion and leadership development processes are guided by principles of equal opportunity and non-discrimination. Diversity metrics are monitored to support balanced representation and inclusive workplace culture.

The Company applies structured remuneration frameworks to ensure consistency, transparency and fairness across roles and grades. Compensation decisions are based on job requirements, qualifications, performance and market benchmarking, without discrimination based on gender or other protected characteristics. Periodic reviews are conducted to monitor pay equity.

A culture of belonging. We are committed to ensuring that diversity of thought and experience drives our innovation and long-term value.

##### **Performance**

##### **Diversity of governance bodies and employees**

Women represented 30% of employees and governance structures during the reporting period, reflecting progress toward enhanced gender representation.

##### **Ratio of Basic Salary and Remuneration of Women to Men**

The ratio of basic salary and remuneration of women to men during the reporting period was 1:01, indicating pay parity across comparable roles.

## **GRI SUSTAINABILITY REPORT (Continued)**

### **SOCIAL PERFORMANCE (Continued)**

#### **Non-Discrimination**

##### **Impact**

Discrimination in the workplace can negatively affect employee well-being, morale, productivity and organisational reputation. A culture that fails to address discriminatory behaviour risks legal non-compliance and erosion of trust.

##### **Management of Impact**

Inclusion is embedded as a core organisational value. The Company maintains policies that prohibit discrimination and promote respectful workplace behaviour. Reporting mechanisms are available to employees to raise concerns confidentially, and any allegations are investigated in accordance with established procedures. Preventive measures include awareness initiatives and leadership accountability.

##### **Performance**

During the reporting period, there were no reported incidents of discrimination and thus no corrective actions were required.

#### **Freedom of Association and Collective Bargaining**

##### **Impact**

The right to freedom of association and collective bargaining is fundamental to protecting workers' rights, promoting fair labour practices and ensuring constructive employer– employee relations. Where these rights are restricted, workers may face reduced representation, weakened protections and increased vulnerability to unfair labour practices. Failure to uphold these rights may also expose the Company to reputational, legal, and operational risks

##### **Management of Impact**

The Company upholds the principles of freedom of association and collective bargaining in line with applicable national legislation and internationally recognised labour standards. These commitments are embedded within internal policies and communicated to suppliers through contractual expectations and onboarding processes. Risk assessments and supplier screening mechanisms are used to identify and mitigate potential human rights risks within operations and across the supply chain.

##### **Performance**

During the reporting period, no operations or suppliers were identified as being at risk of violating the right to freedom of association and collective bargaining. Ongoing monitoring and supplier screening processes will continue to ensure early identification and mitigation of any potential risks.

#### **Forced or Compulsory Labour**

##### **Impact**

Forced or compulsory labour represents a severe violation of human rights and may result in exploitation, harm to workers and significant reputational and legal consequences for an organisation. Risks related to forced labour within operations or supply chains undermine ethical business conduct and sustainable development objectives.

Accountability in every shift. Our digital attendance systems ensure that all working hours are tracked accurately and voluntarily, in full alignment with standards on labour hours.

## **GRI SUSTAINABILITY REPORT (Continued)**

### **SOCIAL PERFORMANCE (Continued)**

#### **Management of Impact**

The Company maintains a zero-tolerance approach to forced or compulsory labour. This commitment is reflected in internal employment policies, supplier standards and contractual agreements. Social screening procedures for suppliers are designed to identify potential labour rights risks prior to engagement, while ongoing oversight mechanisms support compliance with established standards.

#### **Performance**

During the reporting period, no operations or suppliers were identified as being at significant risk for incidents of forced or compulsory labour. The Company will continue to apply supplier due diligence and screening processes to prevent and mitigate potential.

#### **Supplier Social Assessment**

##### **Impact**

The supply chain can present social risks, including labour rights violations, unsafe working conditions or unethical business practices. Failure to assess and manage these risks may result in adverse social impacts, reputational damage and disruption to operations. Responsible supply chain management strengthens stakeholder trust and supports sustainable procurement practices.

##### **Management of Impact**

The Company integrates social criteria into its supplier selection and onboarding processes. All new suppliers are screened against defined social standards covering labour practices, human rights, and ethical conduct. This proactive screening supports early identification of potential risks and reinforces expectations for responsible business behaviour throughout the value chain.

##### **Performance**

During the reporting period, 100% of new suppliers were screened using social criteria. No negative social impacts were identified within the supply chain, and therefore no corrective actions were required. The Company will continue applying social screening procedures to all new suppliers.

#### **Public Policy**

##### **Impact**

Political contributions can create potential social and governance impacts, particularly in relation to transparency, ethical conduct and stakeholder trust. Organizations that make political contributions may influence public policy processes, which can affect regulatory environments, market fairness and public confidence in corporate governance. Where such contributions are not clearly governed, there is a risk of perceived or actual conflicts of interest, reputational damage and reduced stakeholder confidence in the organization's commitment to ethical business practices.

##### **Management Of Impact**

To manage these potential impacts, BOC Kenya PLC maintains a strict policy of political neutrality and does not make financial or in-kind contributions to political parties, candidates or politically affiliated organizations. Governance and ethics policies guide the organization's approach to public policy engagement, ensuring that any advocacy or participation in policy discussions is conducted transparently, ethically, and in compliance with applicable laws and regulations. Internal oversight mechanisms reinforce adherence to these policies and ensure that employees and representatives do not engage in political contributions on behalf of the organization.

## GRI SUSTAINABILITY REPORT (Continued)

### SOCIAL PERFORMANCE (Continued)

#### Performance

In the reporting period, the organization made no political contributions, either directly or indirectly, to political parties, candidates, or related organizations. As a result, the total value of political contributions by country or recipient is N/A. This performance reflects the organization's commitment to maintaining political neutrality and upholding strong governance standards in its external engagements.

#### Customer Health and Safety

##### Impact

The health and safety performance of products and services can have significant impacts on customers, employees and the wider community. If not adequately assessed and managed, products or services may pose risks that could lead to injury, health complications or operational hazards. Ensuring that products and services meet established safety standards is therefore essential to protecting customers, maintaining regulatory compliance and safeguarding the organization's reputation and stakeholder trust.

##### Management of Impact

To manage these potential impacts, the organization conducts regular assessments of the health and safety implications associated with its product and service categories. These assessments are integrated into operational and quality management processes to ensure that safety considerations are identified and addressed throughout the product lifecycle. The organization adheres to applicable safety regulations and internal standards, and continuous monitoring mechanisms are in place to identify potential risks and ensure that corrective measures can be implemented promptly if required.

##### Performance

###### *Assessment of the health and safety impacts of product and service categories*

During the reporting period, all relevant product and service categories were assessed for their health and safety impacts, demonstrating the organization's proactive approach to risk management and customer protection.

###### *Incidents of non-compliance concerning the health and safety impacts of products and services*

No incidents of non-compliance with regulations or voluntary codes concerning the health and safety impacts of products and services were recorded.

***Incidents of non-compliance concerning product and service information and labeling*** During the reporting period, there were no incidents of non-compliance concerning product and service information and labelling, reflecting the effectiveness of the Company's controls and commitment to maintaining high standards of customer trust.

#### Customer Privacy

##### Impact

Non-compliance with laws and regulations in the social and economic area can have significant implications for organizations and their stakeholders. Such non-compliance may result in legal penalties, financial losses, operational disruptions and reputational damage. It can also negatively affect stakeholder confidence and undermine the organization's commitment to responsible and ethical business practices. Maintaining compliance with applicable laws and regulations is therefore essential to ensuring transparency, accountability and sustainable business operations.

## **GRI SUSTAINABILITY REPORT (Continued)**

### **SOCIAL PERFORMANCE (Continued)**

#### **Management of Impact**

BOC Kenya PLC maintains governance structures, internal controls and policies designed to ensure compliance with applicable social and economic regulations across its operations. Regulatory compliance requirements are integrated into operational procedures and responsible departments monitor adherence to relevant laws, standards and industry guidelines. Internal oversight mechanisms and reporting structures support early identification and mitigation of potential compliance risks while employees are expected to uphold the organization's ethical standards and regulatory obligations in the course of their duties.

We are dedicated to fostering an environment where respecting customer privacy fuels our innovation and enhances our long-term value.

#### **Performance**

During the reporting period, BOC did not receive any substantiated complaints regarding breaches of customer privacy or losses of customer data.

#### **Socio Economic Compliance**

##### **Impact**

Breaches of customer privacy or the loss of customer data can have significant impacts on individuals and the organization. Such incidents may expose customers to risks including identity theft, fraud, and unauthorized use of personal information. For the organization, failure to adequately safeguard customer data could result in legal and regulatory consequences, reputational damage, and a loss of stakeholder trust. Protecting customer information is therefore a critical component of responsible business conduct and maintaining strong relationships with customers and partners.

#### **Management of Impact**

To manage potential privacy-related risks, the organization implements policies and internal controls designed to protect customer information and ensure that personal data is handled responsibly. Access to customer data is restricted to authorized personnel, and systems and processes are structured to prevent unauthorized disclosure, misuse, or loss of sensitive information. Employees are expected to comply with applicable data protection requirements and organizational protocols when collecting, storing, or using customer information. These measures help ensure that customer privacy considerations are integrated into daily operations and business processes.

#### **Performance**

During the reporting period, the organization recorded no instances of non-compliance with laws and regulations in the social and economic area, including no significant fines or non-monetary sanctions.

#### **Product Information and Labeling**

##### **Impact**

Accurate product information and responsible marketing are critical to ensuring customer safety, regulatory compliance and trust, particularly for medical products such as oxygen. Inadequate labeling or misleading communications could result in improper use, safety risks and reputational damage. Conversely, clear and compliant labeling enhances safe handling, informed decision-making, and confidence among healthcare providers and customers.

## **GRI SUSTAINABILITY REPORT (Continued)**

### **SOCIAL PERFORMANCE (Continued)**

#### **Management of Impact**

The company manages these impacts by adhering to Good Manufacturing Practice (GMP) requirements and regulatory standards governing medical oxygen. All cylinders are required to carry essential labeling information, including batch numbers, product identification and safety seals to ensure traceability, quality assurance and safe usage. Internal controls and quality assurance processes are implemented to verify compliance with labeling requirements, while marketing communications are guided by ethical standards and regulatory expectations to ensure accuracy, transparency, and consistency.

#### **Performance**

##### *Requirements for product and service information and labeling*

In the reporting period, all medical oxygen products were labeled in accordance with GMP requirements, including the provision of batch numbers, seals and relevant product information on accompanying labels.

##### *Incidents of non-compliance concerning product and service information and labeling*

There were no incidents of non-compliance concerning product and service information and labeling in the reporting period.

##### *Incidents of non-compliance concerning marketing communications*

No incidents of non-compliance related to marketing communications, demonstrating strong adherence to regulatory and ethical standards.

Our air separation plant reflects our commitment to delivering reliable industrial gas solutions while driving sustainable economic value.

#### **Economic Value Creation and Distribution**

##### **Impact**

The economic value generated and distributed by BOC contributes to national economic growth, employment creation and the sustainability of key stakeholders across the value chain. Through the provision of industrial and medical gases, the Company supports critical sectors of healthcare, manufacturing, food processing and infrastructure development. By generating revenue and distributing value through wages, supplier payments, capital returns, government contributions, and community investments, the Company plays a vital role in strengthening the local economy while creating shared value for employees, shareholders, suppliers and the communities in which it operates.

## GRI SUSTAINABILITY REPORT (Continued)

### ECONOMIC PERFORMANCE

#### Management Of Impact

The Company manages its economic impact through prudent financial management, responsible business practices and a focus on long-term value creation. Financial performance is monitored through robust governance structures and internal controls that ensure accountability, transparency and compliance with regulatory requirements. Strategic investments in operational efficiency, employee remuneration and supplier partnerships enable the Company to sustain business growth while ensuring fair distribution of economic value. Additionally, community investments and responsible tax practices demonstrate the Company's commitment to contributing positively to societal development and economic resilience.

#### Performance

Economic Performance	2024	2025
Revenue (KES)	1,204,201,040	1,427,046,302
Salaries (KES)	213,512,497	200,727,288
Payments to providers of capital	166,942,563	168,895,118
Community initiative	938,985	1,825,733
Payments To Government	277,902,571	237,638,984

### Financial Implications of Climate Change

#### Impact

Climate change presents both financial risks and opportunities that have direct and indirect implications for the Company's operations and long-term resilience. Transition risks, including rising diesel prices, increasing electricity costs and evolving regulatory requirements on emissions and air quality have the potential to increase operational expenditure and necessitate additional compliance investments. Physical risks, such as electricity supply disruptions and stress on production facilities and supply chains, particularly in regions such as Kisumu, may affect operational continuity and efficiency. At the same time, climate change creates opportunities for the Company to enhance operational efficiency, reduce costs and strengthen Sustainability performance through investments in energy-efficient technologies and the adoption of renewable energy sources.

#### Management Of Impact

The Company manages climate-related financial risks and opportunities through proactive risk assessment, regulatory compliance and strategic operational planning. Compliance with environmental regulations is maintained through the acquisition of air emission licenses across key operational locations, including Nairobi, Mombasa and Kisumu.

To mitigate physical risks associated with unreliable electricity supply, the Company has invested in standby generators to ensure continuity of operations. In addressing transition risks, the Company continuously evaluates energy consumption and efficiency measures across its production processes.

Furthermore, the Company is actively exploring renewable energy solutions, including the installation of solar panels, to reduce reliance on grid electricity, lower Scope 2 emissions, and manage long-term energy costs.

## **GRI SUSTAINABILITY REPORT (Continued)**

### **ECONOMIC PERFORMANCE (Continued)**

#### **Performance**

During the reporting period, the Company maintained compliance with applicable air emissions regulations by securing the required licenses for its operations in Nairobi, Mombasa, and Kisumu.

Measures to enhance operational resilience included the continued use of standby power solutions to address electricity reliability challenges, particularly in Kisumu.

#### **Defined Benefit Plan Obligations and Other Retirement Plans**

The Company is committed to supporting the long-term financial well-being and security of its employees through structured retirement benefit arrangements. These include participation in the statutory National Social Security Fund (NSSF) as well as a company-supported pension scheme, which together provide employees with income security upon retirement. Contributions are made in accordance with applicable legal requirements and internal policies, ensuring compliance while promoting responsible employment practices. Through these retirement plans, the Company mitigates social and financial risks associated with post-employment income insecurity and demonstrates its commitment to employee welfare. During the reporting period, all eligible employees were enrolled in and benefited from the NSSF and the Company's pension scheme, with contributions made consistently in line with regulatory and scheme requirements.

#### **Financial Assistance Received from Government**

The Company recognizes that financial assistance from government, such as grants, tax reliefs, subsidies, or other forms of support, can influence financial performance and operational sustainability.

Transparent disclosure of such assistance is important to ensure accountability and provide stakeholders with a clear understanding of external support received. The Company maintains policies and internal controls to ensure compliance with applicable regulations and to accurately track and report any government support where applicable. For this reporting year however, there was no financial assistance received

#### **Market Presence**

Fair entry-level wages and the hiring of senior management from local communities have significant socioeconomic impacts. Competitive and equitable wages support employee well-being, reduce income inequality and contribute to improved living standards. At the same time, prioritizing local talent in leadership roles strengthens community relationships, enhances local economic participation and supports knowledge transfer and inclusive growth. Failure to address these areas may result in inequity, reduced employee morale and weakened community trust.

#### **Management Of Impact**

The Company manages these impacts through structured remuneration and recruitment practices aligned with principles of fairness, equity, and local inclusion. Compensation frameworks are designed to ensure compliance with applicable labour laws and internal standards, promoting equitable pay practices across the workforce. In parallel, the Company prioritizes local talent development and succession planning to support the appointment of qualified individuals from the local community into senior management positions. These approaches are embedded within human resource policies to ensure consistency, transparency, and alignment with the Company's commitment to inclusive economic development.

## **GRI SUSTAINABILITY REPORT (Continued)**

### **ECONOMIC PERFORMANCE (Continued)**

#### **Performance**

During the reporting period, all employees earn above the minimum wage, a result of the existence of a Collective Bargaining Agreement (CBA) that ensures fair compensation. and as the disclosure on the ratio of standard entry-level wages by gender compared to the local minimum wage was not applicable. The Company demonstrated strong local economic inclusion, with 100% of senior management positions filled by individuals from the local community, reflecting its commitment to local capacity building and community engagement.

#### **Indirect Economic Impacts**

##### **Impact**

Investments in infrastructure and the broader indirect economic impacts of business activities can significantly influence local economic development, employment creation and community well-being. Infrastructure investments and services supported by an organization may enhance access to essential services, improve productivity and stimulate economic activity. Additionally, indirect economic impacts such as job creation within the supply chain and contributions to local enterprise development play a key role in fostering inclusive growth. Where such impacts are not actively managed or measured, opportunities to enhance positive contributions to society may be missed.

##### **Management Of Impact**

BOC seeks to contribute to economic development through its core operations, procurement practices and engagement with local stakeholders. While infrastructure investments are not a primary focus area, the Company's activities support indirect economic value creation through employment, supplier engagement, and the provision of essential products and services to key sectors. We continue to strengthen our approach to identifying, assessing and managing indirect economic impacts, including exploring opportunities to better track and report on contributions to local economies and supply chains.

#### **Performance**

During the reporting period, there were no reported infrastructure investments or services supported. Additionally, no information was available to quantify significant indirect economic impacts, including effects on local employment or supply chain job creation. The Company will continue to assess opportunities to enhance data collection and reporting in this area in future reporting periods.

#### **Anti-Corruption**

##### **Impact**

Corruption poses significant risks to ethical business conduct, financial performance and stakeholder trust. Incidents of corruption can lead to legal penalties, reputational damage and distortions in fair market practices. Ensuring strong anti-corruption measures is therefore critical to maintaining integrity, transparency and accountability across all business operations.

##### **Management of Impact**

The Company manages corruption-related risks through a zero-tolerance approach supported by policies, internal controls and employee awareness initiatives.

#### **Performance**

During the reporting period, no confirmed incidents of corruption were recorded and therefore no disciplinary actions were required. While information on the percentage of operations assessed for corruption-related risks was not available, all employees received annual Code of Business Ethics training, reinforcing compliance and awareness of anti- corruption policies.

GRI Standard	Disclosure	Location / Response
GRI 1: Foundation 2021	Statement of use	BOC Kenya PLC has reported in accordance with the GRI Standards for the period Jan 1, 2025, to Dec 31, 2025.
GRI 2: General Disclosures 2021	2-1 Organizational details	Page 7 (About BOC Kenya PLC). (Headquarters: Nairobi, Kenya)
	2-2 Entities included in reporting	All operational sites in Kenya (Nairobi, Mombasa, Kisumu)
	2-3 Reporting period, frequency and contact point	Jan 1 – Dec 31, 2025. Annual. boceastafrica@boc.com.
	2-4 Restatements of information in previous reports.	<p>In the 2024 Report (Page 10), "Product Safety" and "Quality" were grouped as general operational outcomes. For the 2025 period, these have been restated as a standalone Material Topic (Product Responsibility) to reflect the safety-critical nature of medical gas supplies to healthcare providers.</p> <p>Following the internal audit of the Dissolved Acetylene (DA) generation process, the baseline for raw material consumption (specifically Calcium Carbide) has been refined. Previous estimates used procurement volumes; the 2025 report restates these figures based on actual production utilization (139,040 kg) to provide a more accurate reflection of operational efficiency.</p> <p>Prior reports focused primarily on direct Tier-1 suppliers. Following the 2025 Safety Audits of Carbacid and AGOL, we have restated our "Reporting Boundary" for Supplier Environmental and Social Assessments (GRI 308/414) to include critical logistics and distribution partners, ensuring a comprehensive view of our value chain impacts.</p>
	2-5 External assurance	No external assurance sought for this period. Data is internally verified by SHEQ and Finance.

GRI Standard	Disclosure	Location / Response
	2-6 Activities, value chain and business relationships	Annual report
	2-7 Employees Performance Section	Social Performance Section
	2-8 Number of workers who are not employees, but whose work is controlled by the organization.	Social Performance Section
	2-9 Governance structure and composition.	Governance and Ethics Section
	2-10 Nomination and selection processes for the highest governance body.	Governance and Ethics Section
	2-11 Disclosure on whether the chair is also a member of management.	Governance and Ethics Section
	2-12 Role of the highest governance body in overseeing the management of impacts.	Governance and Ethics Section

GRI Standard	Disclosure	Location / Response
	2-13 Delegation of responsibility for managing impacts.	No external assurance sought for this period. Data is internally verified by SHEQ and Finance.
	2-14 Role of the highest governance body in sustainability reporting.	Governance and Ethics Section
	2-15 Disclosure on how conflicts of interest are managed.	Governance and Ethics Section
	2-16 Processes for communicating critical concerns to the highest governance body.	Governance and Ethics Section
	2-17 Processes for the collective knowledge and evaluation of the highest governance body.	Governance and Ethics Section
	2-18 Role of the highest governance body in managing impacts.	Governance and Ethics Section
	2-19 Remuneration policies and criteria used for the highest governance body and senior executives.	Governance and Ethics Section

GRI Standard	Disclosure	Location / Response
	2-20 Policy commitments on sustainable development.	About BOC Kenya PLC Section
	2-21 Commitment to respect human rights, including a policy statement	About BOC Kenya PLC Section
	2-22 How policy commitments are embedded throughout the organization.	Workplace Practices Section
	2-23 Processes to remediate or offer remedy for negative impacts.	Workplace Practices Section
	2-24 Mechanisms for seeking advice and raising concerns.	Workplace Practices Section
	2-25 Compliance with laws and regulations.	Workplace Practices Section
	2-26 Membership in associations (e.g., industry or trade groups).	Workplace Practices Section
	2-27 Approach to stakeholder engagement.	This is carried out through the year during site visits, distributor conferences, annual surveys and discussions.

GRI Standard	Disclosure	Location / Response
	2-28 Percentage covered by collective employees covered by collective bargaining agreements.	Workplace Practices Section
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Page 10: Material Topics
	3-2 List of material topics	Page 10: Material Topics List
	3-3 Management of material topics	Integrated in each performance section
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed.	Economic Performance Section
	201-2 Financial implications and other risks and opportunities due to climate change.	Economic Performance Section
	201-3 Defined benefit plan obligations and other retirement plans.	Economic Performance Section
GRI 202: Market Presence 2016	201-4 Financial assistance received from government.	Economic Performance Section

GRI Standard	Disclosure	Location / Response
	Ratios of standard entry-level wage by gender compared to local minimum wage.	Economic Performance Section
	Proportion of senior management hired from the local community.	Economic Performance Section
GRI 203: Indirect Economic Impacts 2016	Infrastructure investments and services supported (monetary value and nature).	Economic Performance Section
	203-2 Significant indirect economic impacts	Economic Performance Section
GRI 204: Procurement Practices 2016	Proportion of spending on local suppliers across significant locations of operation.	Economic Performance Section
GRI 205: Anti-corruption 2016	Percentage of total operations assessed for risks related to corruption.	Integrated in each performance section
	Communication and training about anti-corruption policies and procedures.	Economic Performance Section
	Confirmed incidents of corruption and actions taken.	Economic Performance Section

GRI Standard	Disclosure	Location / Response
GRI 206: Anti-competitive Behaviour 2016	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	None.
GRI 207: Tax 2019	Approach to tax.	Economic Performance Section
	Tax governance, control, and risk management.	Economic Performance Section
	Stakeholder engagement and management of concerns related to tax.	Economic Performance Section
	Country-by-country reporting of tax-related information.	Economic Performance Section
GRI 301: Materials 2016	301-1: Materials used by weight or volume	Environmental Performance Section
	301-2: Recycled input materials used by weight or volume	Environmental Performance Section
	301-3: Reclaimed products and their packaging materials	Environmental Performance Section
GRI 302: Energy 2016	Energy consumption within the organisation	Environmental Performance Section
	Energy intensity (e.g., energy used per unit of production).	Environmental Performance Section

GRI Standard	Disclosure	Location / Response
	Energy consumption outside the organization (Scope 3, e.g., transport, product use).	Environmental Performance Section
	Reduction of energy consumption.	
	Reductions in energy requirements of products and services.	Environmental Performance Section
GRI 303: Water and Effluents 2018	303-3 Water withdrawal (Total volume of water withdrawn from all sources).	Environmental Performance Section
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, or managed in or adjacent to protected areas.	Environmental Performance Section
	304-2 Significant impacts of activities, products, and services on biodiversity.	Environmental Performance Section
	304-3 Habitats protected or restored.	Environmental Performance Section
	304-4 Significant impacts of activities, products, and services on biodiversity.	Environmental Performance Section

GRI Standard	Disclosure	Location / Response
GRI 305: Emissions 2016	305-1 Direct GHG emissions	Environmental Performance Section
	305-2 Energy indirect GHG emissions (Scope 2).	Environmental Performance Section
	305-3 Other indirect GHG emissions (Scope 3).	Environmental Performance Section
	305-4 GHG emissions intensity	Environmental Performance Section
	305-5 Reduction of GHG emissions.	Environmental Performance Section
	305-6 Emissions of ozone-depleting substances (ODS).	Environmental Performance Section
	305-7 NO, SO and other significant air emissions.	Environmental Performance Section
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts.	Environmental Performance Section
	306-2 Management of significant waste-related impacts.	Environmental Performance Section
	306-3 Total weight of waste generated	Environmental Performance Section

GRI Standard	Disclosure	Location / Response
	306-4 Total weight of waste diverted from disposal.	Environmental Performance Section
	306-5 Total weight of waste directed to disposal	Environmental Performance Section
GRI 401: Employment 2016	401-1 New employee hires and employee turnover (by age, gender, and region).	Social Performance Section
	401-2 Benefits provided to full-time employees not provided to temporary/part-time employees	Social Performance Section
	401-3 Parental leave (total employees entitled, taken, and returned).	Social Performance Section
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety (OHS) management system.	Social Performance Section
	Hazard identification, risk assessment, and incident investigation.	Social Performance Section
	403-3 OHS health services provided.	Social Performance Section

GRI Standard	Disclosure	Location / Response
	403-4 Worker participation, consultation, and communication on OHS	Social Performance Section
	403-5 Worker training on OHS	Social Performance Section
	403-6 Promotion of worker health	Social Performance Section
	403-7 Prevention and mitigation of OHS impacts directly linked by business relationships	Social Performance Section
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee.	Social Performance Section
	404-2 Programs for upgrading employee skills and transition assistance programs.	Social Performance Section
	404-3 Percentage of employees receiving regular performance and career development reviews.	Social Performance Section
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Social Performance Section

GRI Standard	Disclosure	Location / Response
	405-2 Ratio of basic salary and remuneration of women to men.	Social Performance Section
GRI 406: Non-discrimination 2016	406-1- Total number of incidents of discrimination and corrective actions taken	Social Performance Section
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.	Social Performance Section
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour.	Social Performance Section
GRI 414: Supplier Social Assessment 2016	414-1 Percentage of new suppliers that were screened using social criteria.	Social Performance Section
	414-2 Negative social impacts in the supply chain and actions taken.	Social Performance Section
Gri 415: Public Policy	415-1 Total value of political contributions by country/recipient.	Social Performance Section

GRI Standard	Disclosure	Location / Response
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories.	Social Performance Section
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Social Performance Section
	416-3 Incidents of non-compliance concerning product and service information and labelling.	Social Performance Section
GRI 417: Marketing and Labelling 2016	417-1 Requirements for product and service information and labelling	Social Performance Section
	417-2 Incidents of non-compliance concerning product and service information and labelling.	Social Performance Section
	417-3 Incidents of non-compliance concerning marketing communications.	Social Performance Section

GRI Standard	Disclosure	Location / Response
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data.	Social Performance Section
GRI 419: Socio economic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area.	Social Performance Section
	414-2 Negative social impacts in the supply chain and actions taken.	Social Performance Section

## BOARD OF DIRECTORS

BOC Kenya Plc (BOC) understands the importance of having a Board containing the right balance of skills, experience and diversity and the composition of the Board is regularly reviewed by the Board Nominations and Corporate Governance Committee.

The skills and experience of the current Directors and the value they bring to the BOC Board is described below.



**MR. ECKHARDT  
VORSTER\*\***  
(AGE 50)

*Non-Executive Chairman*  
SOUTH AFRICAN

**Position:** Appointed Chairman and Non-Executive Director in September 2024. He is a Member of the Nominations and Corporate Governance Committee.

**Skills and experience:** Mr. Vorster is the Commercial Director for Linebooker Pty (Ltd) a South African Company. Prior to joining Linebooker Pty (Ltd) Mr. Vorster held various senior roles across the Linde Group (BOC's ultimate holding company) including Managing Director for Afrox Namibia and Afrox Botswana and Director Filling & Supply Chain for African Oxygen Limited in South Africa.

Mr. Vorster is an Accountant and holds a Master of Business Administration (Cum Laude) degree from the University of Stellenbosch.

**Key Appointments:** Mr. Vorster does not hold any other directorships.



**MR. LAWRENCE  
GITHINJI**  
(AGE 55)

*Managing Director*  
KENYAN

**Position:** Appointed as Managing Director in March 2025.

**Skills and experience:** Mr. Githinji is an accomplished executive with extensive leadership experience in the industrial, energy, medical, water, extractives, and infrastructure sectors. Before joining BOC Mr. Githinji served as Managing Director of KONE Corporation where he had overall executive responsibility for the KONE business in Kenya and Uganda with a period in South Africa as well. Prior to joining KONE Corporation he worked with Atlas Copco Group for 20 years. He held different roles during his long tenure with Atlas Copco Group including Global Product Manager based in Belgium, Regional General Manager based in Nairobi and eventually as Managing Director and Regional General Manager East & Central Africa.

Mr. L. Githinji holds a Bachelor of Science Degree in Agricultural Engineering from the University of Nairobi and a Masters Degree in Strategic Management from Day Star University. He is a Member of the Kenya Society of Environmental, Biological and Agricultural Engineers.

**Key Appointments:** Mr. Githinji does not hold any other directorships.

## BOARD OF DIRECTORS (Continued)



**MR. TEDDY  
MUTINDA  
(AGE 36)**

*Finance Director*  
KENYAN

**Position:** Appointed as Finance Director in May 2025.

**Skills and experience:** Mr. Mutinda is a seasoned finance professional with extensive experience in financial management, strategic planning and operational excellence across diverse sectors, including manufacturing and e-commerce.

Prior to his appointment Mr. Mutinda held key finance roles within Unga Group Plc and Copia Kenya Limited, where he played pivotal roles in enhancing operational efficiency, leading ERP and automation initiatives, and strengthening financial reporting frameworks.

Mr. T. Mutinda holds a Bachelor of Commerce degree in Finance and is a Certified Public Accountant and Certified Credit Professional. He is a member of the Institute of Certified Public Accountants of Kenya (ICPAK).

**Key Appointments:** Mr. Mutinda does not hold any other directorships.



**MR. JOSEPH  
RAMASHALA  
(AGE 58)**

*Non-Executive Director*  
SOUTH AFRICAN

**Position:** Appointed to the Board in September 2021. He is a Member of the Audit & Risk Committee and the Nominations and Corporate Governance Committee.

**Skills and experience:** Mr. Ramashala was based at African Oxygen Limited, BOC's sister Company in South Africa for 17 years, and his last role was the Director responsible for Emerging Africa with regional responsibility for general management, profitability, and new business development across 9 African countries. He brings to the Board a wealth of experience gained over twenty-seven years in the industrial gas industry and Food and Beverage industries.

He holds a Bachelor of Commerce Degree (Law) from the University of Kwazulu Natal as well as an Honours Degree (Business Management) from the University of South Africa.

**Key Appointments:** Mr. Ramashala does not hold any other directorships.



**MRS. COSIMA  
WETENDE  
(AGE 50)**

*Non-Executive Director*  
KENYAN

**Position:** Appointed to the Board in March 2016. She is Chairman of the Nominations and Corporate Governance Committee and a Member of the Audit & Risk Committee.

**Skills and experience:** Mrs. Wetende is an Advocate of the High Court of Kenya practising as a Corporate/Commercial dispute resolution advocate, mediator and arbitrator and is a Partner in the firm of Kaplan & Stratton Advocates. She holds Bachelor of Laws and Master of Law degrees from the University of Nairobi in addition to a Bachelor of Arts (Hons) Degree in Social Sciences. She also holds a Practitioner Diploma in Executive Coaching (AoEC).

She is a Member of the Law Society of Kenya, the International Bar Association and a Fellow of the Chartered Institute of Arbitrators (Kenya Branch).

She is ranked as a leading lawyer and dispute resolution practitioner in Kenya.

**Key Appointments:** Mrs. Wetende sits on the Board of Governors at Kenton College.

## BOARD OF DIRECTORS (Continued)



**MR. STEPHEN  
MAINA  
(AGE 56)**

*Independent  
Non-Executive Director*  
KENYAN

**Position:** Appointed to the Board in June 2018. He is the Chairman of the Audit and Risk Committee.

**Skills and experience:** Mr. Maina is currently the Finance Director of Haco Industries Limited. Prior to this, he was the Managing Director and Principal Officer of AfroCentric Health Solutions Limited which provides health care and health insurance related consultancy services from 2015 to 2017. Between 2000 and 2013 he served in various Executive roles within the AAR Group including as Finance Director, MD Kenya Business and Group Head of Strategy.

Mr. Maina is a Certified Public Accountant and in addition holds a Bachelor of Commerce (Accounting) Degree from the University of Nairobi and an MBA from United States International University (USIU).

**Key Appointments:** Mr. Maina does not hold any other directorships. He is a member of the Institute of Certified Public Accountants of Kenya.



**MS. R.T.  
NGOBI  
(AGE 65)**

*Company Secretary*  
KENYAN

**Position:** Company Secretary since August 2014.

**Skills and experience:** Ms. Ngobi was educated in both Kenya and the UK. She holds a Bachelor of Laws Degree from the University of Kent, a Master of Laws Degree from the University of Cambridge and is a Certified Public Secretary and an accredited Governance Auditor.

She is also an Advocate of the High Court of Kenya of 38 years standing with 24 years' experience as in-house Legal Counsel and Company Secretary of large global corporations with offices and agencies throughout Sub-Saharan Africa such as Unilever Kenya Limited and British American Tobacco Kenya Limited.

In 2010 she founded Cossec Solutions Limited which provides company secretarial services and corporate governance solutions to various companies.

## BOARD OF DIRECTORS (Continued)

### DIVERSITY OF SKILLS, QUALIFICATIONS AND EXPERIENCE

The Board as currently constituted offers a diverse range of skills and experience in relevant areas.

Skills and Competences for BOC Board	Vorster	Githinji	Maina	Ramashala	Wetende	Mutinda
Gas Industry Knowledge	√	√		√		√
Listed Company Board Experience	√	√	√	√	√	√
Governance Leadership/Corporate Management	√	√	√	√	√	√
Trade Block Experience	√	√		√		
Audit/Finance	√		√			√
Risk Management	√	√	√	√	√	√
Local Regulation/Public Policy/Govt. relations		√	√		√	√
Legal					√	
Marketing/Sales/Distribution	√	√	√	√		
People/Organizational Development/Remuneration	√	√	√	√	√	√
Information Technology		√	√			√
Manufacturing Industry experience	√	√	√	√		√
Public Health Experience	√	√		√		

## **BOARD OF DIRECTORS (Continued)**

### **BOARD MEMBERSHIP CRITERIA, REFRESHMENT AND SUCCESSION PLANNING**

The selection of qualified Directors is fundamental to the Board's successful oversight of BOC's strategy and enterprise risks. As a result, ensuring that the Board is composed of Directors who bring diverse viewpoints and perspectives, exhibit a variety of skills, professional experiences and backgrounds, and effectively represent the long-term interests of shareholders is critical to the Board and the Nominations and Corporate Governance Committee.

The priorities for recruiting new Directors are continually evolving based on the Company's strategic needs and the skills composition of the Board at any particular time. These dynamic priorities ensure the Board remains a strategic asset capable of addressing the risks, trends, and opportunities that BOC will face in the future. In evaluating potential Director candidates, the Nominations and Corporate Governance Committee considers, among other factors, the criteria shown above in the skills and qualifications matrix for current Directors and any additional characteristics that it believes one or more Directors should possess based on an assessment of the needs of the Board at that time.

In every case, Director candidates must be able to contribute significantly to Board discussion and decision-making on the broad array of complex issues facing BOC.

### **BOARD DIVERSITY**

The Nominations and Corporate Governance Committee considers individuals with a broad range of business experience and varied backgrounds and strives to identify candidates with diverse backgrounds in line with the BOC Board Diversity Policy and the Policy on Appointments to the Board. The Committee and Board recognise the value of overall diversity and considers members' and candidates' opinions, perspectives, personal and professional experiences, and backgrounds, including gender, race, age and country of origin. The Board believes that the judgement and perspectives offered by a diverse

Board of Directors improves the quality of decision making and enhances the Company's business performance. The Board believes that such diversity assists the Board to respond more effectively to the needs of customers, shareholders, employees, suppliers, and other stakeholders.

The BOC Board Diversity Policy and the Policy on Appointments to the Board are posted on the Company's website [www.boc.co.ke](http://www.boc.co.ke).

## DIRECTORS' REPORT

The Directors submit their report together with the audited financial statements for the year ended 31 December 2025, which disclose the state of affairs of the Group and of the Company.

### Principal activities

The principal activity of the Group is the manufacture and sale of industrial gases, medical gases and welding products.

### Results and Dividend

The net profit for the year of KShs 314,024,000 (2024: KShs 211,647,000) has been added to retained earnings. During the year an interim dividend of KShs 2.50 per share (2024: KShs 2.50 per share) was paid. The Directors recommend the approval of a final dividend of KShs 10.35 per ordinary share, payable, net of Withholding Tax, on or about the 21 July 2026, to Shareholders on the Register at the close of business on 31 May 2026.

The total dividend for the year is therefore KShs 12.85 per share (2024: KShs 8.65) amounting to a total of KShs 250,901,981 (2025: KShs 168,895,118).

### Board of Directors

The Directors who held office during the year and to the date of this Report are set out on page 8. No changes have taken place in the Board of Directors since the last Annual General Meeting held on 26 June 2025.

Mrs. C. Wetende retires by rotation, and being eligible, offers herself for re-election in accordance with Article 29 of the Articles of Association.

Mr. S. Maina retires by rotation and offers himself for re-election in accordance with Article 29 of the Company's Articles of Association.

### Business overview

The Company delivered a strong financial performance in 2025, achieving revenue growth of approximately 19% compared to the prior year. A key driver of this performance was the significant increase in medical gases supplied to the Healthcare sector across the country. As healthcare institutions enhanced their capacity and prioritized continuous oxygen supply, medical sector demand remained strong and stable.

Turnover increased by 19%, supported by improved demand across key product lines and enhanced commercial execution. Despite upward pressure on certain cost categories, the Company sustained a healthy gross margin, with Gross Profit rising by 13%. Profit before tax increased by 50%, and the Company closed the year with a 48% increase in profit after tax, underscoring the resilience and competitiveness of our operations.

The year also saw meaningful progress in Modified Atmosphere Packaging (MAP) solutions within the food processing sector. Adoption increased as processors sought to extend shelf life and improve product quality, supported by targeted customer engagement and application guidance from the Company. Engineering services continued to contribute strongly with successful delivery of medical gas piping and system enhancement projects across multiple healthcare facilities. These projects reinforced the Company's technical capability and supported the ongoing strengthening of the national healthcare infrastructure.

## **DIRECTORS' REPORT (Continued)**

The Company also expanded its partner and distributor training programs, focusing on product knowledge, safety, gas applications, and service quality. This improved partner capability and enhanced customer experience across the broader network.

In addition, distribution efficiency improved significantly during the year, supported by targeted initiatives aimed at enhancing delivery reliability and reducing operational costs. Route optimization tools were introduced to shorten turnaround times and improve fleet utilization, while enhanced vehicle tracking and performance monitoring strengthened operational visibility. Improved coordination between production and logistics teams further ensured timely dispatch and consistent delivery performance across both medical and industrial customer segments

### **Auditors**

PricewaterhouseCoopers LLP served as the Company's external auditors since 1 August 2020. In line with the Code of Corporate Governance Practices for Issuers of Securities to the Public 2015's recommendation to rotate independent auditors every six to nine years, the Board of Directors will appoint new External Auditors and seek ratification of the appointment from Shareholders at the 2026 Annual General Meeting.

### **Statement as to disclosure to the Group's auditor**

The Directors in office at the date of this report confirm that:

- There is no relevant audit information of which the Company's auditor is unaware; and
- Each Director has taken all the steps that he or she ought to have taken as a director so as to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### **Approval of the Financial Statements**

The financial statements set out on pages 103 to 157 were approved at a Meeting of the Directors held on 15 April 2026.

By order of the Board

**R.T. Ngobi (Ms.)**  
**Company Secretary**  
**Date: 15 April 2026**

## GOVERNANCE REPORT

### LEADERSHIP AND RESPONSIBILITIES

#### Overview

BOC Kenya PLC (BOC) is committed to the highest standards of corporate governance and has instituted systems to ensure that high standards of corporate governance are maintained at all levels of the organization. Throughout the year ended 31 December 2025 and to the date of this Annual Report, the Company endeavored to comply with the Capital Markets Authority (CMA) Code of Corporate Governance Practices for Issuers of Securities to the Public 2015 (the CMA Code) and the Capital Markets (Public Offers, Listings and Disclosures) Regulations 2023 (the CMA Regulations). The Company however believes that the most potent form of corporate governance comes from within, with external guides and codes being overlays to the standards that we, as a Group, set ourselves. Those standards are codified in our own Code of Business Integrity (formerly referred to as Code of Ethics) which every company within the Linde Group and every employee is expected to live up to.

#### The Role of the Board

The Board's principal collective duty is to create and deliver sustainable shareholder value through setting the Company's strategy and overseeing its implementation. In so doing, due regard is paid to matters that will affect the future of BOC, such as the effect the Board's decisions may have on employees, the environment, surrounding communities and relationships with customers and suppliers.

The Board ensures that Management achieves the right balance between promoting long-term growth and delivering short-term objectives. The existing corporate governance framework embeds the right culture, values and behaviours throughout BOC and supports the Board's role in determining strategic objectives and policies.

In addition to setting strategy and overseeing its implementation, the Board is also responsible for ensuring that Management maintains an effective system of internal control that provides assurance of effective and efficient operations, internal financial controls and compliance with laws and regulations.

#### The key responsibilities of the Board include:

- To provide overall strategic direction and major corporate actions to be taken by the Company;
- Approval and adoption of the strategic and annual business plans, the setting of objectives and review of key risk and performance areas;
- Approval of commitments outside the authority delegated to the executive management, committees and individual directors;
- To review, at regular Board meetings, Management's performance against annual business plans and set objectives;
- To review periodic financial reports and approve the Annual Report;
- Declaring an interim dividend and recommending final dividends;
- Reviewing risk management, internal controls and business continuity plans;
- Reviewing the going concern ability of the Company;
- To establish appropriate systems of corporate governance in the Company;
- Ensuring work place policies and practices align with values and support sustainable success;
- Effective engagement, as appropriate, with shareholders, staff and under stakeholders;
- Establishing and monitoring compliance with the CMA Code, Company's Code of Business Integrity, other Group Policies, programs and procedures for safety, health and environment and laws and regulations; and
- Reviewing and agreeing Board succession plans and those of Senior Management Staff.

## GOVERNANCE REPORT (Continued)

### Board Governance framework

The Board has developed a Board Charter in order to document its corporate governance practices and principles, in recognition of the role of good governance in corporate performance, maximisation of shareholder value and protection of investors' rights, and also to promote the Company's standards of self-regulation. The objective of the Charter is to also ensure that all Board members are aware of their duties and responsibilities and that they act in the best interest of the Company and its stakeholders. The Board Charter was last reviewed by the Board on 15 April 2026 and is published on the Company's website ([www.boc.co.ke](http://www.boc.co.ke)).

The Board has established two principal Board Committees namely, the Audit and Risk Committee and the Nominations and Corporate Governance Committee. Under the authority of the Company's Articles of Association, each Board Committee has specific responsibilities delegated to it by the Board. Each Committee has its own Terms of Reference which are reviewed annually and updated as appropriate. The roles, membership and activities of these Committees are described in more detail later in this Report. Responsibility for implementing strategy and day-to-day operations has been delegated by the Board to the Managing Director and the Executive team.

### Division of Responsibilities

The roles and responsibilities of the Chairman and the Managing Director are separate with each having clearly defined duties and responsibilities.

The Chairman is responsible for leadership of the Board, for ensuring its effectiveness and for facilitating the productive contribution of both Executive and Non-Executive Directors. He sets the agenda for Board meetings in consultation with the Managing Director and the Company Secretary. He is also responsible for ensuring that the interests of the Company's shareholders are safeguarded and that there is effective communication with them. The Chairman is accountable to the Board for leading the direction of the Company's corporate and financial strategy and for overall supervision of the policies governing the conduct of the business.

The Managing Director is responsible for the day-to-day management of the Company and is also responsible for the performance of the Group and is supported in this role by the Executive team. The Managing Director provides leadership to enable successful planning and execution of the objectives and strategies agreed by the Board. The Managing Director is also responsible for stewardship of the Company's assets and, jointly with the Chairman, for representation of the Company externally.

### Non-Executive Directors

The Board had six (6) Non-Executive Directors as at 31 December 2025 and as at the date of this Report. The role of the Non-Executive Director is to help develop strategy, review management proposals, and scrutinize performance of Management, to bring an external perspective to the Board, monitor reporting of performance and to be available to meet with shareholders and key stakeholders as appropriate.

### The Company Secretary

The Company Secretary is a Member in good standing with the Institute of Certified Secretaries. The Company Secretary provides a central source of guidance and advice to the Board on matters of governance, statutory compliance and compliance with the regulators. The roles and responsibilities of the Company Secretary are more specifically delineated in the Board Charter published on the Company's website ([www.boc.co.ke](http://www.boc.co.ke)).

## GOVERNANCE REPORT (Continued)

### The Executive Team

The Executive team, led by the Managing Director, is responsible for overseeing the implementation of the strategy and policies set by the Board, and for creating the framework for their successful day-to-day operation. Their profiles are set out on page \_ of this Annual Report.

Principle Executive Team roles includes:

- Developing strategy for approval by the Board;
- Developing guidelines for the Company's functions;
- Ensuring functional strategies are effective and aligned;
- Managing functions;
- Reviewing functional budgets;
- Actively manage and report to the Board on risk management, internal controls and business continuity plans;
- Monitoring Company operating performance; and
- Overseeing the management and development of talent.

### BOARD EFFECTIVENESS

#### Overview of the Board

#### Composition of the Board of Directors

In line with the requirements of the CMA Code and the CMA Regulations the majority of the Board are Non-Executive Directors.

The Board comprises of the Chairman, who is a Non-Executive Director, two (2) Executive Directors, and three (3) Non-Executive Directors. As at the date of this Annual Report the composition of the Board is as set out on pages 64 to 68 of the Report.

The Board Nominations and Corporate Governance Committee also considers Board succession planning and regularly reviews the composition of the Board and the Board Committees to ensure that there is an appropriate balance and diversity of skills, experience, independence and knowledge. The size of the Board is not fixed and may be revised from time to time to reflect the changing needs of the business.

The Directors biographies containing their relevant skills and experience, Board Committee membership and other principal appointments can be found on pages 64 to 68. The service contracts for the Executive Directors and the letters of appointment for the Chairman and Non-Executive Directors are available for inspection, upon Notice, at the Company's registered office.

#### Independence of Directors

The Independence of the Non-Executive Directors is considered annually by the Board Nominations and Corporate Governance Committee (NCG Committee) using the independence criteria set out in the CMA Code. During the course of 2025 and as at the date of this Report the NCG Committee assessed and confirmed to the Board the independence of Board Directors as follows:

- |                    |   |                                    |
|--------------------|---|------------------------------------|
| • Mr. E. Vorster   | - | Non-Executive Director             |
| • Mr. L. Githinji  | - | Executive Director                 |
| • Mr. T. Mutinda   | - | Executive Director                 |
| • Mrs. C. Wetende  | - | Non-Executive Director             |
| • Mr. S. Maina*    | - | Independent Non-Executive Director |
| • Mr. J. Ramashala | - | Non-Executive Director             |

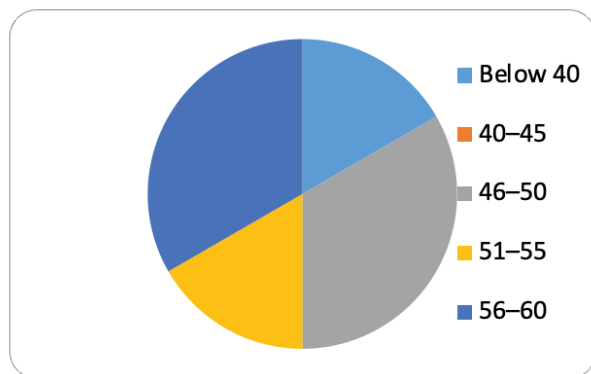
\*Mr. S. Maina is the Chairman of the Audit & Risk Committee in compliance with the Code.

## GOVERNANCE REPORT (Continued)

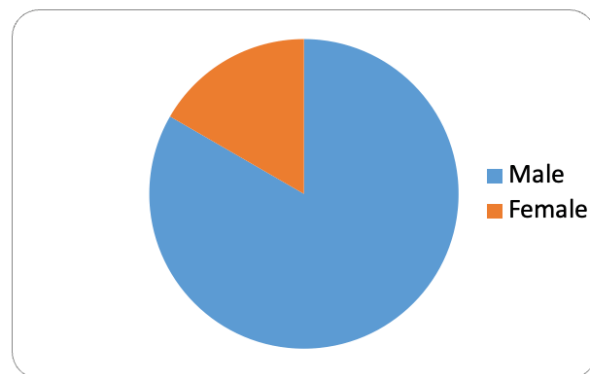
### Board Diversity

The Board appreciates the benefits of diversity in all its forms, within its own membership and at all levels of the Company. The Board promotes diversity and also encourages initiatives to improve gender diversity in Senior Management roles. The NCG Committee considers the balance of skills and experience of current Directors when considering a proposed appointment. The Boards Diversity Policy and Policy on Appointments to the Board can both be read on the Company’s website ([www.boc.co.ke](http://www.boc.co.ke)).

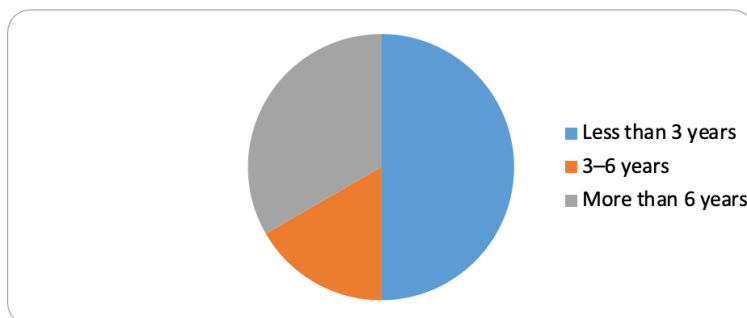
#### Age of Directors



#### Gender of Directors



#### Tenure of Directors



### Re-election

The Non-Executive Directors do not have service contracts with the Company but instead have Letters of Appointment for three years; subsequent reappointment is subject to endorsement by the Board.

In accordance with the Articles of Association of the Company, all Directors offer themselves for re-election at regular intervals under Article 29 or under Article 28 upon appointment. At the Annual General Meeting held on 26 June 2025 Mr. L. Githinji and Mr. T. Mutinda offered themselves for re-election under Article 28 and Mr. J. Ramashala offered himself for re-election under Article 29.

At the Annual General Meeting to be held on 25 June 2026 Mr. E. Vorster and Mr. S. Maina will retire and being eligible offer themselves for re-election in accordance with Article 29 respectively of the Company’s Articles of Association.

## GOVERNANCE REPORT (Continued)

### Board Work Plan

The Board's Work Plan for the ensuing year is approved by the Board typically at the last meeting of the year. The Work Plan is designed to enable the Board to drive the strategic agenda forward across all the elements of the Company's business model. The key Board activities in 2025 are set out on page 81 the 2026 Board Work Plan was approved by the Board on 19 November 2025.

### Board Information

The Board receives high-quality, up to date information for review in good time ahead of each meeting. The Company Secretary ensures timely dissemination of information within the Board and its Committees and between the Non-Executive Directors and Senior Management as appropriate. Intermittent updates from Management on the business are consistently disseminated to the Board in-between scheduled Board meetings.

### Attendance at Board and Annual General Meetings

Members of the Board are expected to devote such of their time, attention and abilities as may be necessary to fulfill the duties of their appointments. This includes attendance at Board meetings which are held at least quarterly, the Annual General Meeting and other Board and General Meetings if called in addition to Board Committee meetings as appropriate.

In 2025 Members attended Board meetings held in April, June, August and November in addition to the Annual General Meeting held in June 2025 as disclosed in the table below.

### Attendance at Board and Annual General Meetings in 2025

Name	Meetings Attended	Meetings Eligible to Attend
Mr. E. Vorster (Chairman)	5	5
Mr. L. Githinji*	5	5
Mr. T. Mutinda*	4	4
Mr. J. Ramashala	5	5
Mrs. C. Wetende	5	5
Mr. S. Maina	5	5

\*Mr. L. Githinji was appointed Managing Director on 3 March 2025

\*Mr. T. Mutinda was appointed Finance Director on 1 May 2025

### Board Induction

On appointment to the Board all Directors ordinarily receive induction which is tailored to the new Director's individual requirements. The induction schedule is designed to quickly provide the new Director with an understanding of how the BOC Group works and the key issues that it faces. The induction typically consists of a full programme of briefings on all areas of the business including but not limited to the following:

- Introduction to the Board;
- Introductions to Senior Management;
- Business Overview Presentations;

## GOVERNANCE REPORT (Continued)

### Board Induction (Continued)

- Sessions with the Board Chairman, Board Committee Chairmen, the Company Secretary and the External Auditors as appropriate;
- A Factory Tour; and
- Meetings with key stakeholders as appropriate.

Upon completion of the induction programme the Director should have sufficient knowledge and understanding of his or her roles and responsibilities as a Director to the Board, the nature of the business, and the opportunities and challenges facing BOC to enable them to effectively contribute to strategic discussions and oversight of the Group.

Both Mr. L. Githinji appointed Managing Director on 3 March 2025 and Mr. T. Mutinda appointed as a Finance Director on 1 May 2025 received induction.

### Training and development

In order to continue to contribute effectively to Board and Board Committee meetings, Directors are encouraged to continually update their skills and knowledge of the business. The Directors are also provided with the opportunity to take part in training and development. As part of the annual one-on-one performance review with the Chairman, any particular development needs that can be met are discussed. A training schedule for the year is organized for the Board which includes both formal training and functional presentations or topic specific briefings. The training schedule is approved by the Board.

During 2025, the Directors were able to secure training as prescribed by the CMA Code. The trainings included areas of governance in addition to trainings to enhance understanding of the operations of the Company and relevant emerging trends in the operating environment.

Trainings received by individual Directors from the Company and other credible sources during 2025 included but were not limited to the following topics:

Compliance and Mandatory Governance	-	March 2025
ESG Summit	-	July 2025
PwC - Combing through the Finance Act 2025	-	July 2025
The Cyber Fraud Threat Landscape	-	October 2025
Unclaimed Financial Assets Authority Compliance Cycle	-	October 2025
Artificial Intelligence and Digital Skills	-	December 2025

### Access to independent advice

The Board recognises that there may be occasions when one or more Directors consider it necessary to take independent advice on various matters such as legal or financial advice, at the Company's expense. This is provided for in the Board Charter and the Terms of Reference of each Board Committee.

### Board Evaluation

The Board conducts a critical evaluation of its effectiveness and that of its Committees, the Executive and Non-Executive Directors, Chairman, the Managing Director and the Company Secretary as prescribed by the Code.

The 2025 Board Evaluation was conducted by an independent third party namely UMSIZI LLP during the month of March 2026. This was aimed at enabling the Board, the Committees and their respective members to gauge their performance and identify areas of improvement.

## GOVERNANCE REPORT (Continued)

### Board Induction (Continued)

The methodology adopted to conduct the Board evaluation comprised of individual interviews with the Directors and the Company Secretary in addition to completion of a Board Evaluation Form by each Director and the Company Secretary. This information was thereafter collated by UMSIZI LLP and presented to the Nominations and Corporate Governance Committee and the full Board.

The evaluation established that the Board and its Committees continue to function and perform well and have a sufficient balance of skills, expertise, knowledge and diversity. The wide range of skills and diverse backgrounds of members is a key strength of the Board, as is the effective leadership from the Chairman. Board members have a good understanding of the business and receive the information they need to make informed decisions.

The evaluation identified opportunities for improvement with recommendations together with fresh action points identified for implementation and tracking throughout the course of 2026.

The Nominations and Corporate Governance Committee monitors implementation of recommendations and action points on behalf of the Board.

Individual feedback was given by the Board Chairman to all Board members and the Company Secretary following the Board evaluation exercise.

### Time Commitment

It is expected that in order to discharge their responsibilities effectively all Directors allocate sufficient time to their roles on the Board. Before appointing prospective Directors, the Board takes into account their other commitments and significant time commitments are established and disclosed prior to appointment.

Directors are expected to attend, and to be well prepared for, all Board and Board Committee meetings, as well as making time to understand the business, meet with executives and regulators as appropriate, and complete ongoing training. The Chairman and other Non-Executive Directors endeavor to ensure that they have adequate time to discharge their responsibilities to the Board effectively. The Letters of Appointment issued to the Chairman and Non-Executive Directors set out the expectation that additional external appointments following appointment to the Board require prior notification to the Board (in the case of the Chairman) and the Chairman in the case of other Non-Executive Directors. During 2025 the Chairman and the Board were not notified of any new significant external appointments for consideration and approval.

### Conflict of Interest

The Board has formal procedures for managing conflict of interest in accordance with the Board Charter, the Companies Act 2015 and the CMA Code of Corporate Governance Practices for Issuers of Securities to the Public, 2015.

Any conflict of interest or apparent conflict of interest between the Company and its Directors is avoided. Directors are required to declare any potential or actual conflicts of interest that could interfere with their ability to act in the best interests of the BOC Group. Any circumstances which may give rise to actual or potential conflicts of interest are disclosed to the Board upon appointment and subsequent changes highlighted as they arise. A Conflict of Interest Register is maintained for that purpose. Directors are also given the opportunity, at the start of every Board meeting, to declare any actual or potential conflict of interest with their role as Directors. During the duration of 2025 no conflict of interest was declared by any Director. The Board Conflict of Interest Policy can be read on the Company's website ([www.boc.co.ke](http://www.boc.co.ke)). A Conflict of Interest Policy is also maintained for all employees of the Company.

## GOVERNANCE REPORT (Continued)

### Financial and Business Reporting

The Board is satisfied that it has met its obligation to present a balanced and understandable assessment of the Company's position through the Annual Report. It is appropriate to treat this business as a going concern as there is sufficient existing financing available to meet expected requirements in the foreseeable future. The Audit & Risk Committee is assigned to review financial, audit and internal control issues and risks in supporting the Board of Directors which is responsible for the financial statements and all information in the Annual Report.

### Risk Management and Internal Control

The Board is responsible for determining the nature and extent of the significant risks that the Company is willing to take to achieve its strategic objectives and for maintaining sound risk management and internal control systems.

With the support of the Audit & Risk Committee, the Board carries out a review of the effectiveness of its risk management and internal control systems covering all material controls including financial, operational and compliance controls and risk management systems.

The Directors have also defined procedures and financial controls to ensure that the Group's system of internal controls provides reasonable assurance that the assets are safeguarded, transactions are authorized and recorded properly, and that material errors and irregularities are either prevented or detected within a reasonable period of time. There is a clearly defined organizational structure within which individual responsibilities are identified in relation to internal controls. The structure is complemented by defined procedures, financial controls and information system controls.

The Group's internal audit department performs various activities in the evaluation of the risk management, control and governance process. Significant business risks and weaknesses in the systems of operating and financial controls are highlighted and brought to the attention of the Audit & Risk Committee, Senior Management and External Auditors. Areas accorded high-risk profiles are given urgent attention by Management. At every Board meeting the status of mitigations against identified business risks is reviewed to ensure timely implementation of corrective actions.

The Board, with advice from its Audit & Risk Committee, completed its annual review of the effectiveness of the system of risk management and internal control for the financial period ending 31 December 2025. No significant failings or weaknesses were identified and the Board is satisfied that, where specific areas for improvement have been identified, processes are in place to ensure that the necessary remedial action is taken and that progress is monitored.

### Remuneration

The Board assumes responsibility for the consideration and recommendation of the remuneration arrangements of the Chairman, Executive Directors, Non-Executive Directors, other senior executives and certain Group employees. The Board as a whole considers recommendations on the fees to be paid to Non-Executive Directors. No adjustments were made to the remuneration of Non-Executive Directors in 2025. The Directors Remuneration Report is on page 93 of this Report.

## GOVERNANCE REPORT (Continued)

### Communication with Shareholders and Stakeholders

The Board is committed to promoting effective and open communication with all shareholders and stakeholders, ensuring consistency and clarity of disclosures at all times. The Company aims to engage with its shareholders and stakeholders transparently in order to facilitate a mutual understanding of their respective objectives.

**Financial reporting:** - The Board strives to ensure that shareholders (including institutional investors), regulators, other key stakeholders and the financial markets are provided with full and timely information about its performance. The Company aims to deliver all financial and strategic communications in a consistent and open way and to ensure that such disclosures are easily intelligible and present a balanced and understandable assessment of the Company's position and prospects. During 2025 the half-year and annual results were released in the local press, the Company's website and through distribution of the 2024 Annual Report.

**Annual General Meeting (AGM) participation:** - The Board and the Executive Team continue to consider the AGM as a key date in the Calendar of Events. The AGM provides a useful opportunity to the Board to engage with shareholders on key issues facing the Group and any questions they may have. The 2025 AGM was conducted physically at the Company's premises on 26 June 2025. The Chairman, all Directors and Executive Team members attended the AGM. 114 Shareholders together holding 12,786,587 shares representing 65.49% of total shareholding attended the AGM. All resolutions which were proposed at the 2025 AGM were passed unanimously by show of hands. Questions and or concerns raised by shareholders during question time were further considered and discussed by the Board at its subsequent meeting held in August 2025.

The 2026 AGM will be held Virtually on 25 June 2026. The Notice of the AGM is on page 2 of this Report.

**Institutional investors:** - The Company is committed to managing relationships with institutional investors. The Company endeavours to conduct an Investor Briefing Session at least once a year following publication of either end year and or half year financial results to update investors on the Company's business and strategy. An Investor Briefing Session was held on 22 August 2025. 13 Investors were invited to attend. The Managing Directors presentation to Investors covered the following areas:

1. The Operating Environment
2. Business Progress and High Level Achievements
3. The Company's Strategic Priorities
4. Governance and Commitment
5. Looking Ahead and Reassurance of Long-Term Growth and Resilience.

**Public policy engagement:** - The Company intermittently engages in dialogue on issues where it has a legitimate interest, i.e. where public policy directly affects its business and customers. Any communication undertaken is honest, comprehensive and accurate and underpinned by the Company's Principles Governing Shareholder and Stakeholder Communication which can be read on the Company's website ([www.boc.co.ke](http://www.boc.co.ke)).

**Stakeholder engagement:** - Demonstrating the Board's commitment to active governance, the Directors of the Board conducted site visits to two of the Company's primary stakeholders during the month of November 2025. These engagements provided the Board with invaluable, first-hand insights into the Company's operational impact and strengthened strategic alignment with key partners.

## GOVERNANCE REPORT (Continued)

### Directors Loans

There were no loans made to Directors at any time during the year.

### Corporate Governance Assessment Report

During the year 2025, the Capital Markets Authority assessed the status of implementation of the CMA Code by the Company for the year ended 31 December 2024. The assessment was based on a review of the following areas: commitment to good corporate governance (leadership rating of 90%); Board operations and control (leadership rating of 88%); rights of shareholders (leadership rating of 93%); stakeholder relations (leadership rating of 93%); ethics and social responsibility (leadership rating of 88%); accountability, risk management and internal control (leadership rating of 83%); transparency and disclosure (leadership rating of 86%). The overall rating awarded to the Company was a leadership rating of 87%. The overall rating is a testament to the Board's commitment to sound corporate governance practices.

The Company continues to implement the recommendations received from the Capital Markets Authority to improve its level of implementation of the recommendations under the Capital Markets Authority Code.

### Governance Audit

In compliance with the CMA Code of Corporate Governance Practices for Issuers of Securities to the Public 2015, the Board appointed Ms. Catherine Musakali, of Dorion Associates LLP, to conduct the Company's Governance Audit for the year ended 31 December 2024. An unqualified opinion was issued which opinion was presented to the shareholders at the 2025 Annual General Meeting held on 26 June 2025. The Report is also availed on the Company's website ([www.boc.co.ke](http://www.boc.co.ke)). Implementation of recommendations made by the Governance Auditor are tracked by the Nominations and Corporate Governance Committee on behalf of the Board. The next Governance Audit will be conducted in 2027.

### Legal and Compliance Audit

In compliance with the CMA Code of Corporate Governance Practices for Issuers of Securities to the Public 2015 and the Company's Legal and Compliance Policy, the Board appointed Munyao, Muthama & Kashindi Advocates to conduct the Legal & Compliance Audit for the year ended 31 December 2024. Implementation of recommendations made by Munyao, Muthama & Kashindi Advocates are tracked by the Audit & Risk Committee. The overall Executive Summary emanating from the Audit published on the Company's website [www.boc.co.ke](http://www.boc.co.ke). The Legal and Compliance Policy is also published on the Company's website. Implementation of the recommendations emanating from the audit are tracked by the Audit & Risk Committee on behalf of the Board.

## GOVERNANCE REPORT (Continued)

### STRATEGIC BOARD ACTIVITIES IN 2025

Strategic Board activities conducted in 2025 include the following:

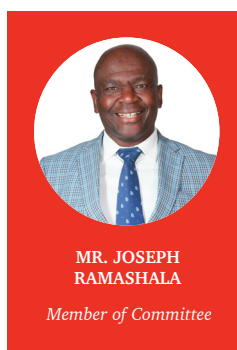
- Reviewing and monitoring implementation of the Company's strategy;
- Approval of Budget and oversight of resource allocation activities to support strategy execution;
- Endorsing the direction and activities proposed by Management to achieve the strategy and ensuring that Management was on track to deliver the Company's strategy;
- Discussing and improving the Board's understanding of key risks facing the Company and considering the potential impact on the business of specific risk factors in consultation with the Board Audit and Risk Committee;
- Keeping the Company's trading and performance against the 2025 Budget and the previous year under review and monitoring operational key performance indicators;
- Reviewing half-year results, trading updates, year-end results and the Annual Report;
- Keeping the competitive landscape under review;
- Reviewing the Company's Business Continuity Management process and Business Continuity Plans as well as the implementation of the improvement areas;
- Monitoring Safety, Health, Environment and Quality (SHEQ) incidents;
- Exploring savings and productivity opportunities;
- Monitoring the status of the Company's litigation proceedings;
- Monitoring compliance with the Companies Act 2015 and the CMA Code;
- Monitoring compliance with the Company's Code of Business Integrity;
- Reviewing the talent pipeline and succession planning for key roles in the organization;
- Reviewing strategies for securing safe on-site environments, effective connectivity for remote working (as appropriate) and for supporting Staff wellbeing;
- Reviewing succession planning at Board Level including Executive Directors and the Executive Team;
- Determining the independence of Non-Executive Directors and proposing Directors for re-appointment at the Company's 2025 AGM;
- Reviewing shareholder concerns raised at the AGM held on 26 June 2025;
- Reviewing the outcomes of the evaluation of the effectiveness of the Board and its Committees in 2024;
- Reviewing and approving submission to the Capital Markets Authority (CMA) on 31 April 2025, of the Company's CMA Reporting Template.
- Reviewing and approving submission of the Calendar of Events to the Nairobi Securities Exchange PLC and the Capital Markets Authority.

## GOVERNANCE REPORT (Continued)

### BOARD COMMITTEES

The Board has established and maintains two principal Board Committees, to which it has delegated some of its responsibilities namely, the Audit & Risk Committee and the Nominations and Corporate Governance Committee.

#### Audit and Risk Committee



#### Current Members

Mr. S. Maina (Chairman)  
 Mr. J. Ramashala  
 Mrs. C. Wetende  
 Ms. R.T. Ngobi (Secretary)

In 2025 Members attended Committee meetings held during the months of March, August and November as disclosed in the table below.

#### Attendance at meetings in 2025

Name	Meetings Attended	Meetings Eligible to Attend
Mr. S. Maina	3	3
Mr. J. Ramashala	3	3
Mrs. C. Wetende	3	3
Mr. L. Githinji*	2	2
Mr. T. Mutinda*	2	2
Mr. E. Vorster*	1	1

\*Mr. L. Githinji (Managing Director appointed on 3 March 2025) and Mr. T. Mutinda (Finance Director appointed 1 May 2025) attended as Permanent Invitees.

\*Mr. E. Vorster (Chairman of the Board) attended the Audit & Risk Committee meeting held on 18 November 2025 by Invitation.

#### Mandate and Role of the Audit and Risk Committee

The Board Audit and Risk Committee assists the Board of Directors in carrying out its responsibilities with respect to the management of business risks and internal controls and the conduct of business in accordance with the Code of Business Integrity. The Board Audit and Risk Committee is comprised of two Independent Non-Executive Directors and one Non-Executive Director. The Chairman of the Committee, Mr. S. Maina, is an Independent Non-Executive Director. The Committee met four times during 2025. Attendance included internal and external auditors, as well as Permanent Invitees.

## **GOVERNANCE REPORT (Continued)**

### **BOARD COMMITTEES (Continued)**

#### **Mandate and Role of the Audit and Risk Committee (Continued)**

The Audit and Risk Committee is responsible for monitoring the integrity of the financial statements and any formal announcements relating to the Company's performance, considering any significant issues and judgements reflected in them before submission to the Board. The Committee keeps under review the consistency of the accounting policies applied by the Company, reviews the effectiveness of the accounting, internal control and business risk systems of the Company and, when appropriate, makes recommendations to the Board on business risks, internal controls and compliance.

The Committee is also responsible for monitoring compliance with the Company's Code of Business Integrity, the CMA Code, laws and regulations, monitoring and reviewing the effectiveness of the Company's internal controls; and monitoring and reviewing the performance of the Company's external auditors by keeping under review their independence and objectivity, making recommendations as to their reappointment (or, where appropriate, making recommendations for change), and approving their terms of engagement and the level of audit fees payable to them.

The Board has an obligation to establish formal and transparent arrangements for considering how it should apply the corporate reporting and risk management and internal control principles and for maintaining an appropriate relationship with the external auditors, which is delivered through the Audit & Risk Committee.

The Audit and Risk Committee is also responsible for monitoring and reviewing the effectiveness of the internal audit arrangements. The Group Internal Audit Manager is a permanent invitee to the Committee. The Group Internal Audit Manager presents a report to the Committee on the audit plan for the year as well as updates on ongoing and completed audits in addition to findings therefrom.

The Committee Chairman, Members of the Committee and the Company Secretary endeavor to meet with the external auditors at the end of at least one meeting of the year without Management, to discuss relevant issues as well as the progress of the audit.

The Board, with the advice from the Audit and Risk Committee completed its review of the effectiveness of the risk management framework and internal controls for the year ended 31 December 2025. No significant failings or weaknesses were identified, and the Board is satisfied that, where specific areas for improvement have been identified, processes are in place to ensure that the necessary remedial action is taken and that progress is monitored.

#### **Key Audit and Risk Committee activities in 2025**

The Board Audit & Risk Committee's agenda in 2025 continued to include its responsibilities for overseeing the performance and effectiveness of internal and external audit. The Committee also continued to exercise its responsibilities for ensuring the integrity of BOC's published financial information by debating and challenging the judgements made by Management and the assumptions upon which they are based.

#### **Standing items of business considered by the Committee during 2025:**

- Progress on the 2024 Internal Audit Plan;
- Periodic reports from the Group Internal Audit Manager on both local and regional process audits, the Management responses and action plans being put in place to address any concerns raised;
- Updates on key risks facing the business and mitigating steps put in place with deep dives into specific risk topics;

## GOVERNANCE REPORT (Continued)

### BOARD COMMITTEES (Continued)

#### Key Audit and Risk Committee activities in 2025 (Continued)

- The Company's 2024 results, 2025 half-year results, the External Auditors' reports for these, and interim management statements;
- The steps taken to validate the 'Going Concern' assessment at half year and year-end;
- A report from the Finance Director on the information flows, and drafting and approval processes for the preparation of the Annual Report, facilitating the Committee's advice to the Board that the 2024 Annual Report was fair, balanced and understandable.
- Quarterly reports on internal controls and compliance;
- Monitoring and tracking of implementation of findings from the Legal & Compliance Audit;
- Quarterly reports on security risks, frauds and losses;
- Updates on significant legal cases, Safety, Health, Environment and Quality issues;
- Reports on compliance with the Company's Code of Business Integrity;
- Fraud and or security incidents;
- 2026 External Auditor's Audit plan and fees for recommendation to the Board; and
- Annual review of External Auditors' independence.

#### External Auditors Effectiveness

The Audit and Risk Committee, on behalf of the Board, is responsible for the relationship with the External Auditors. The Committee carries out an annual evaluation of the External Auditors, covering qualification, expertise and resources and objectivity and independence, as well as the effectiveness of the audit process. The evaluation takes into account the Committee's interactions with the External Auditors in addition to the following:

- experience and expertise of the External Auditors in their direct communication with, and support to the Committee;
- their professional skepticism;
- their effectiveness in completing the agreed external audit plan;
- content, quality and robustness of the external auditors' reports; and
- their provision of non-audit services and any other matters that may impact independence.

No material issues were identified from the evaluation of the External Auditors for the year 2025.

#### External Auditor Independence

The Committee has an established policy aimed at safeguarding and supporting the independence and objectivity of the Company's External Auditors, which is regularly reviewed and updated. The basic principle of the policy is that the Company's External Auditors may be engaged to provide additional services only in cases where those services do not impair their independence and objectivity.

## GOVERNANCE REPORT (Continued)

### BOARD COMMITTEES (Continued)

#### External Auditor Independence (Continued)

The External Auditors may not be engaged to provide services if the provision of such services would result in the External Auditors:

- Having a mutual or conflicting interest with any Group company;
- Being placed in the position of auditing their own work;
- Acting as a manager or employee of any Group company; or
- Being placed in the position of advocate for any Group company.

Subject to the above, the External Auditors may provide certain tax services. The Committee recognizes that using the External Auditors to provide such services is often of benefit due to their detailed knowledge of the business. The policy also requires the submission to the Committee, typically prior to the year end, of a Work Plan identifying the total fees for all audit-related services and tax services which it is expected will be undertaken by the External Auditors in the following year. In this way, the Committee has full visibility of spend on audit-related services and tax services enabling it to discharge its responsibility for keeping such fees under review and ensuring that neither their level, nor their nature, risk impairing the external auditors' independence and objectivity.

PwC reconfirmed its independence in 2025.

#### Nominations and Corporate Governance Committee



#### Current Members

Mrs. C. Wetende (Chairman)

Mr. E. Vorster

Mr. J. Ramashala

Ms. R. T. Ngobi (Secretary)

In 2025 Members attended the Committee meetings held during the months of March and November 2025.

#### Attendance at meetings in 2025

Name	Meetings Attended	Meetings Eligible to Attend
Mrs. C. Wetende	2	2
Mr. E. Vorster	2	2
Mr. J. Ramashala	2	2
Mr. L. Githinji	1	1

\*Mr. L. Githinji (Managing Director appointed on March 3, 2025) attended the meeting in November 2025 as a Permanent Invitee.

## GOVERNANCE REPORT (Continued)

### BOARD COMMITTEES (Continued)

#### Mandate and Role of the Nominations and Corporate Governance Committee

The Nominations and Corporate Governance Committee is responsible for identifying candidates to fill vacancies on the Board and has oversight on the adherence and compliance by the Company to its Code of Business Integrity and to the principles and requirements of good corporate governance as espoused by the CMA Code of Corporate Governance Practices for Issuers of Securities to the Public 2015 (CMA Code)

The process of identification of candidates to fill vacancies to the Board is guided by the Board's Policy on Appointments to the Board and includes reviewing the structure, size and composition of the Board to ensure it has an appropriate balance of skills, expertise, knowledge and independence prior to recruitment.

For Non-Executive Director vacancies to be filled, the selection process will generally involve interviews of suitable prospective candidates by the Committee and its Chairman and thereafter recommendation to the Board for appointment.

The services of specialist external search firms are used for identification and shortlisting of appropriate candidates to take up Executive Director roles.

Mr. L. Githinji was appointed Managing Director on 3 March 2025. Mr. T. Mutinda was appointed Finance Director on 1 May 2025.

The Nominations and Corporate Governance Committee is also charged with the responsibility of assessing the Independence of Non-Executive Directors on an annual basis and evaluating the effectiveness of the Board and the effectiveness of the Directors in the discharge of their responsibilities. The Committee also evaluates and makes recommendations with regard to the composition of all Board Committees.

Following the introduction, by the CMA, of annual Governance Audits and compliance reporting the Committee provides oversight of implementation of the CMA Code and Compliance Reporting.

The Committee, on behalf of the Board, monitored implementation of recommendations that emanated from the last Governance Audit Report and the recommendations from the CMA to the Company's Compliance Report submitted on 30 April 2025. The Compliance Report is available on the Company's website ([www.boc.co.ke](http://www.boc.co.ke)).

#### Key Nominations and Corporate Governance Committee activities in 2025

- Succession planning for the Board and the Senior Management Team including appointment of Emergency Alternates for the following key Board roles: Board Chairman, Board Committee Chairs and Company Secretary;
- Assessment and confirmation of the current adequacy of the Board with respect to the balance of skills, expertise, knowledge, age and diversity including gender and nationality;
- Reviewed the nomination and appointment of the Managing Director and Finance Director respectively;
- Reviewed the effectiveness of the Board following the Board Evaluation exercise and making recommendations to the Board on actions to be adopted towards improvement;
- Monitoring implementation of the recommendations adopted by the Board following the Board Evaluation exercise;
- Reviewed the Committee's effectiveness in 2024, following the Committee evaluation process;
- Reviewed and recommended approval, by the Board, of submission of the CMA Compliance Report for the year 2024 as completed by the Company;

## GOVERNANCE REPORT (Continued)

### BOARD COMMITTEES (Continued)

#### Key Nominations and Corporate Governance Committee activities in 2025 (Continued)

- Monitoring implementation of the recommendations from the Governance Audit Report;
- Monitoring implementation of recommendations made by the CMA from the CMA Compliance Report submitted by the Company;
- Reviewed the Independence of Directors against the criteria set under the CMA Code;
- Making recommendations to the Board in relation to Directors' annual appointment and re-election at the AGM;
- Reviewed the Corporate Governance Statement for the 2024 Annual Report;
- Reviewing the Composition of the Board's Committees;
- Preparation and submission of the 2025 Board training calendar as part of continuous Board development;
- Review of the Boards' Diversity Policy, Board Appointment Policy and the Nominations Committee's Terms of Reference.

#### Retirement and Remuneration

The Board determines (upon recommendation of Management), the remuneration policies of the Company, and the terms and conditions of employment of the Executive Directors and Senior Management. The Board ensures that compensation for all employees is performance-driven and appropriately benchmarked against other companies in Kenya.

The Board is responsible for setting executive remuneration covering salary and benefits, performance related bonus arrangements, pensions and terms of service, evaluating and monitoring major changes to the policy on employee benefit structures for the Company.

Remuneration of Non-Executive Directors is also reviewed by the Board to ensure that the levels of remuneration and compensation are appropriate. Information on the aggregate amounts of emoluments and fees paid to Directors is disclosed in Note 30 (f) of the financial statements. The Directors Remuneration Report is on page 93 of this Report.

#### Key Retirement and Remuneration activities in 2025

- Reviewing the application and continuing impact of the Remuneration Policy during 2025;
- Reviewing succession planning of Executive Directors and the Executive Team and the talent pipeline;
- Reviewing the development of leaders in the Company and in particular activities to embed a high-performance leadership culture;
- Approval of annual salary increments;
- Approval of Non-Executive remuneration;
- Reviewing key Staff Training and development plans for 2025;
- Review and monitoring of the performance of the Company's two retirement funds; and
- Review and approval of HR related policies.

#### Employment Equity

The Group is committed to the creation of an organization that supports the equality of all employees and is committed to the elimination of any form of discrimination in the workplace. Our policy covers recruitment, staff development, retention and cultural diversity.

## **GOVERNANCE REPORT (Continued)**

### **BOARD COMMITTEES (Continued)**

#### **Employment Equity (Continued)**

Our succession planning process identifies ability and talent, and monitors, on a regular basis, the performance of high-fliers. Individual development plans are agreed upon in collaboration with managers of the respective employees.

The Group manages the development of functional skills through the “License-to-Work” approach. This approach ensures that all employees are competent to perform their specific duties within a given time frame.

The Board also ensures that manpower plans are implemented timeously.

## **GOVERNANCE REPORT (Continued)**

### **GOVERNANCE POLICIES**

#### **Board Charter and Committee Terms of Reference**

The Board is governed by a Board Charter which stipulates the roles and responsibilities of the Board and its members, the composition of the Board and its Committees and respective Terms of Reference. The Board Charter and Committee Terms of Reference are periodically reviewed to ensure that they remain current and were most recently reviewed in April 2026. The Board Charter and Committee Terms of Reference are published on the Company's website ([www.boc.co.ke](http://www.boc.co.ke)).

#### **Code of Business Integrity**

Inextricably linked to good corporate governance is the Company's Code of Business Integrity. The Linde Group has always espoused the highest ethical standards of business conduct and full compliance with applicable laws, regulations and industry standards.

The Company believes in open and honest communication, fair treatment and equal opportunities and supports the fundamental principles of human rights.

While common sense, good judgement and conscience apply in managing a difficult or uncertain situation, the Code of Business Integrity assists in detailing the standards and priorities within The Linde Group, as well as specific rules covering human rights, safety at work and environmental and supply management. Guiding principles or core values within the Code define our responsibilities towards and what we expect from Directors, employees, local communities and the public, customers, suppliers and markets and Shareholders.

Allegiance to the Code of Business Integrity is the starting point from which employees draw inspiration and guidance for behaviour within a group, society or the organization. An integrity line has been established to enable employees to report contraventions of the Code of Business Integrity. During the year 2025 no contraventions of the Code of Business Integrity were reported.

#### **Whistle Blowing and Staff Helpline**

The Company has a Whistleblowing Policy which enables staff, in confidence, to raise concerns and to report incidents they consider to be against our established code of conduct without fear of reprisal. This facility is managed by an independent third-party organization to further protect confidentiality. The Committee receives periodic reports on whistleblowing incidents, if any. The Audit & Risk Committee remains satisfied that the Company's policy and procedures enable proportionate and independent investigation of matters raised and ensures that appropriate follow-up action is taken. No whistleblowing incidents were reported during 2025.

The Whistleblowing Policy is published on the Company's website ([www.boc.co.ke](http://www.boc.co.ke)).

#### **Procurement Policy**

BOC Kenya PLC maintains a Procurement Policy that governs the procurement of goods and services. The policy and the related procedures are addressed particularly to those persons who deal directly with suppliers, ordering parties/ contractors, and other business partners. The policy establishes principles for business conduct and for avoiding conflicts of interest that must be adhered to by each employee. It ensures that the most appropriate and effective controls are applied in the purchase of goods and services for the Company's needs.

## **GOVERNANCE REPORT (Continued)**

### **GOVERNANCE POLICIES (Continued)**

#### **Procurement Policy (Continued)**

In addition to the Code of Conduct for Suppliers, the Company's business partners are encouraged to commit themselves to these principles.

The Procurement Policy and the Code of Conduct for Suppliers to BOC Kenya PLC are published on the Company's website ([www.boc.co.ke](http://www.boc.co.ke)).

#### **Statement on Insider Dealing**

The Company is obligated by law and by its Code of Business Integrity to ensure that Directors and certain other employees, with insider information, do not abuse or place themselves under suspicion of abusing insider information that they may have or thought to have. This is especially key in periods leading up to an announcement of financial results. To this end, the Company has a Share Trading Policy which sets out the requirements for BOC insiders in dealing in shares of the Company.

In compliance with the Companies Act, 2015, the Company communicates 'open' and 'closed' periods for trading in its shares to the Directors and its employees at key periods during the year. To the best of the Company's knowledge, there were no insider dealings during the 2025 financial year.

The Company's Share Trading Policy is published on the Company's website ([www.boc.co.ke](http://www.boc.co.ke)).

#### **Board Related Party Transactions Policy**

The Board Related Party Transaction Policy enables the Board of BOC Kenya PLC to consider the approval and reporting of transactions between the Company and any of its Directors, Executive Officers or Significant Shareholders or certain entities or persons related to them. Such transactions are appropriate only if they are in the best interest of the Company and its shareholders. The Company is required to disclose each year in its Annual Report certain transactions between the Company and Related Parties as well as its policies concerning transactions with Related Parties. In addition, the Board reviews any Related Party Transactions involving Non-Executive Directors as part of the annual determination of their independence.

The Board Related Party Transactions Policy is published on the Company's website [www.boc.co.ke](http://www.boc.co.ke).

During 2024 there were no reports of transactions between the Company and any of its Directors, Executive Directors and other Staff. Transactions between the Company and its parent company and associated companies are disclosed under Note 30 to the Financial Statements on Page 154 to page 156.

#### **Policy on Dispute Resolution for Internal and External Disputes**

The Company is committed to reaching prompt and fair resolution of disputes, conflicts or disagreement that may arise from time to time. The Policy for Dispute Resolution for Internal and External Disputes provides a structured process for resolving both internal and external disputes. The Policy outlines mechanisms for resolving disputes in a cost effective, fair, expeditious and efficient manner.

The Policy was approved by Shareholders at the AGM held on 26 June 2025 and is also available on the Company's website [www.boc.co.ke](http://www.boc.co.ke).

## GOVERNANCE REPORT (Continued)

### GOVERNANCE POLICIES (Continued)

#### Policy on Governing Shareholder and Stakeholder Communication

The Company is committed to promoting effective and open communication with all shareholders and stakeholders. The purpose of the Policy is to define a proactive framework for transparent, accurate and timely communication with shareholders and stakeholders. It aims to foster trust, ensure compliance with regulatory obligations and facilitate meaningful two-way dialogue regarding the Company's strategic direction, performance and sustainability initiatives, ultimately driving long-term value and mutual understanding. The Policy was approved by Shareholders at the AGM held on 26 June 2025 and is also available on the Company's website [www.boc.co.ke](http://www.boc.co.ke).

#### Policy on Corporate Disclosures and Procedures

The purpose of the Policy is to set out the basic guiding principles, regulatory requirements, and leading practices for the Company when disclosing data and the Company's results in the public domain. It intends to ensure that all communications made to the public are timely, complete, accurate and in-line with applicable regulations and to build and maintain the positive image of the Company with respect to the principles of transparency and disclosure.

#### The Policy applies to the following:

- Documents and information filed with the regulators, Government agencies such as the Companies Registrar, the Company's Annual Reports, public announcements issued to shareholders and stakeholders and information contained on the Company's website and other electronic communications;
- Oral statements and presentations made in meetings with analysts and investors; and
- Other documents and announcements which would reasonably be expected to affect the market price of the Company's stock/shares.
- The Policy was approved by Shareholders at the AGM held on 26 June 2025 and is also available on the Company's website [www.boc.co.ke](http://www.boc.co.ke)

#### Safety Health and Environment Policy

##### *Our principles:*

Health, safety and care for the environment (HSE) are foundational principles of our businesses.

The health and safety of our colleagues, customers, business partners and communities in which we do business is our number one priority.

Personal ownership for HSE through visible, demonstrated leadership and accountability at all levels throughout Group.

HSE principles shall be reflected in 100% of our behaviour, 100% of the time.

##### *Our vision:*

Zero incidents.

Safe, secure and healthy working conditions for all who work with and for us.

High quality, safe and environmentally responsible products and services that meet or exceed the expectations of our customers.

Responsible use of natural resources.

Economic and environmental sustainability in everything we do.

## **GOVERNANCE REPORT (Continued)**

### **GOVERNANCE POLICIES (Continued)**

#### **Safety Health and Environment Policy (Continued)**

##### ***Our commitment:***

Comply with applicable legal, regulatory, industry and corporate requirements.

Design, construct and operate our facilities in a safe, secure, efficient and environmentally responsible way.

Personal accountability to continuously improve our HSE performance through tracking against our goals and targets.

Proactive management of risk in our business.

Work with our business partners and our relevant industries to actively promote and enforce compliance with this policy.

Promote open communication and learning with all stakeholders and sharing of HSE knowledge.

Provide resources, training, equipment and other support to enable fulfilment of this policy.

**The Board is committed to the implementation of this HSE policy.**

#### **Corporate Social Responsibility and Investment Policy**

The Company's Corporate Social Responsibility and Investment Policy focuses on activities that are of material importance to the business and are of interest to our stakeholders and shareholders.

The Company combines long-term business success with environmental and social responsibility and considers sustainability to be an important part of its Corporate Strategy. It is aware of the potential adverse impacts of its business to on people, especially on safety and ensures that its operations and products meet the highest safety standards and that employees, contractors, business partners and customers receive continuous training.

The Company seeks to enhance the safety awareness of customers through product knowledge training with the objective of ensuring that they do not come to harm whilst using its products which include gases at cryogenic temperatures (below minus 150 degrees C), flammable gases and high-pressure cylinders and other gas containers. The Corporate Social Responsibility and Investment Policy is published on the Company's website ([www.boc.co.ke](http://www.boc.co.ke)).

#### **Information Technology Policy**

BOC Kenya PLC's information technology (IT) systems are covered under an IT Policy. The policy aims to protect the Company's investment in information technology infrastructure, IT equipment and mobile facilities, data/telecommunications networks and software, maintain the highest standards of cyber security, while protecting the Company's confidential and sensitive information. The IT Policy is published on the Company's website ([www.boc.co.ke](http://www.boc.co.ke)).

#### **Operational Policies**

There are other broad operation policies that guide Management in executing of the Company's operations in an efficient and socially responsible manner. The policies cover various operational functions across the Company including human resources, risk management, financial management, sustainability, environment, safety and health.

## DIRECTORS' REMUNERATION POLICY AND REPORT 2025

### Information not subject to audit

The Directors Remuneration Policy and Report for the Executive and Non-Executive Directors applicable in 2025 were approved by the Shareholders at the 2025 Annual General Meeting held on 26 June 2025.

The Report has been prepared in accordance with the relevant provisions of both the Capital Markets Authority (CMA) Code of Corporate Governance Practices for Issuers of Securities to the Public 2015 (the Code) on Directors remuneration and the Kenyan Companies Act, 2015.

### Principles of remuneration policy 2025

The Board considers the remuneration policy annually to ensure that it remains aligned to business needs and is appropriately positioned relative to the market. Its overriding objective is to reward the delivery of the Company's strategy in a manner that is simple, straightforward and understandable.

### Executive Directors

The Executive Directors remuneration package comprises core fixed elements (basic salary, retirement and other benefits) designed to recognise the skills and experience of the Executive Directors and to ensure current and future market competitiveness in attracting talent.

Executive Directors are eligible to participate in the Company's Short-Term Incentive Plan which is anchored on achievement of key business performance indicators.

The table below outlines the key components of the Executive Directors remuneration packages as compensation for their role as key senior management within the BOC Group.

The Company has a Directors and Officers insurance covering all Directors and Officers for the aggregate sum of Kenya Shillings 50 million.

Reward	Purpose and link to strategy	Mechanics of Reward	Performance metrics
Basic Salary	Attract and retain high calibre individuals to deliver the Company's strategic plans by offering market competitive remuneration to reflect an individual's skills and experience.	- Paid in 12 equal monthly instalments during the year and is pensionable. Reviewed annually with salary changes effective from April depending on performance.	Individual and business performance
Pension	Provide competitive post-retirement benefit arrangements so as to attract and retain high calibre talent to drive delivery of strategy.	Annual contribution up to the 10% of basic salary.	None

## DIRECTORS' REMUNERATION POLICY AND REPORT 2025 (Continued)

### Information not subject to audit (Continued)

Reward	Purpose and link to strategy	Mechanics of Reward	Performance metrics
Other benefits	Provide market competitive benefits which: facilitate the attraction and retention of high calibre talent to deliver the Group's strategic plans; and recognise that such talent is global in source and that the availability of certain benefits are key enablers for attraction and retention.	Range of benefits include: <ul style="list-style-type: none"> <li>- Housing allowance</li> <li>- Transport allowance</li> <li>- Medical insurance</li> <li>- Personal life and accident insurance</li> </ul>	None
Short term Incentives Plan	Incentivise the attainment of corporate targets aligned to the strategic objectives of the Group on an annual basis.	<ul style="list-style-type: none"> <li>- Payout is done annually in April after measurements and approval of results.</li> <li>- 100% of the bonus is paid in cash.</li> <li>- Payout is 25% of annual Salary for Managing Director and 15% for Finance Director</li> </ul>	Targets are set annually based on the group and company business plans.

### Service contracts – Executive Directors

Duration of current contracts	The Managing Director and the Finance Director are on permanent and pensionable contracts of employment.
Notice Period	Three months
Provision for early termination of contracts	<p>On early termination of contracts, the executive directors are eligible for redundancy packages as follows:</p> <ul style="list-style-type: none"> <li>- Salary in lieu of notices (if notice is not given)</li> <li>- Redundancy payment as per Kenya's labour laws</li> </ul> <p>In the event that the contract is terminated for cause (such as gross misconduct), the Company may terminate the contract with immediate effect and no compensation would be payable.</p>

## DIRECTORS' REMUNERATION POLICY AND REPORT 2025

### Audited information

#### Executive Directors' remuneration and compensation for the year ended 31 December 2025

The following table shows a summary of remuneration for the Executive Directors in respect of qualifying services as directors and compensation as key management for the year ended 31 December 2025 together with comparative figures for 2024:

Name	Basic salary		Housing & other allowances		Retirement benefits		Bonus		Grand total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Arthur Kamau	-	7,240	-	4,791	-	907	-	2,217	-	15,155
Kiplagat Kiprotich	-	1,057	-	865	-	220	-	-	-	2,142
Lawrence Githinji	14,892	-	1,629	-	864	-	-	-	17,385	-
Teddy Mutinda	1,977	-	410	-	229	-	-	-	2,616	-
<b>Total</b>	<b>16,869</b>	<b>8,297</b>	<b>2,039</b>	<b>5,656</b>	<b>1,093</b>	<b>1,127</b>	<b>-</b>	<b>2,217</b>	<b>20,001</b>	<b>17,297</b>

All figures in KShs' 000

#### The Chairman and Non-Executive Directors

The Company looks to recruit, as Non-Executive Directors, those who have a wide range of strategic and operational experience gained from other businesses or organizations. A Non-Executive Director is required, as a minimum, to make an annual time commitment of about 20 days and is expected to attend all Board and Committee meetings, and AGM, a strategic budgeting session as well as maintaining an appropriate level of knowledge about the business and its operations.

As a Listed Company, the quantum and structure of Non-Executive Directors' remuneration will primarily be assessed against the same remuneration comparator group of companies used for setting the remuneration for Executive Directors.

## DIRECTORS' REMUNERATION POLICY AND REPORT 2025

### Audited information (Continued)

The remuneration components for Non-Executive Directors' are as follows:

Reward	Purpose and link to strategy	Mechanics of Reward	Performance metrics
Fees	Fees for Non-Executive Directors need to be sufficient to attract, motivate and retain individuals with skills and senior-level experience to drive the Company's strategy forward	<ul style="list-style-type: none"> <li>- Fixed monthly retainer</li> <li>- Sitting allowance for every committee or board meeting.</li> <li>- Reviewed annually and adjusted as required</li> </ul>	As per Annual Board Evaluation.

### Other terms: Non-Executive Directors

The table below outlines the key components of the Non-Executive Directors remuneration packages during the year

Name	Category	2025			2024		
		Fees KShs 000	Sitting Allowance KShs 000	Total KShs 000	Fees KShs 000	Sitting allowance KShs 000	Total KShs 000
Robert Mbugua	Chairman Non-Executive	-	-	-	1,520	280	1,800
Cosima Wetende	Non-Executive	1,680	560	2,240	1,680	630	2,310
Steve Maina	Non-Executive	1,680	420	2,100	1,680	420	2,100
Joseph Ramashala	Non-Executive	840	210	1,050	-	-	-
Eckhardt Vorster*	Chairman Non-Executive	3,110	420	3,530	-	-	-
<b>Totals</b>		<b>7,310</b>	<b>1,610</b>	<b>8,920</b>	<b>4,880</b>	<b>1,330</b>	<b>6,210</b>

\* Eckhardt Vorster's total fees for 2025 include Kshs 970,000 relating to 2024 (Fees – Kshs 760,000 and Sitting Allowances – Kshs 210,000).

By order of the Board:

**R.T. Ngobi (Ms.)**  
**Company Secretary**  
**Date: 15 April 2026**

## SHAREHOLDING STRUCTURE AT 31 MARCH 2026

### Major shareholders

Shareholder Name	Total Shares	Percentage Shareholding
B O C HOLDINGS	12,765,582	65.38%
KIUNA, KIUNA NGUGI	3,497,026	17.91%
STANDARD CHARTERED KENYA NOMINEES LTD A/C 133935500055	509,004	2.61%
OGANGO,JOHN OKUNA	126,400	0.65%
STANDARD CHARTERED KENYA NOMINEES LTD A/C KE004667	121,056	0.62%
MRS CAROLYN ANNE GRAY	110,143	0.56%
NGUGI, MARGARET WAMBUI	100,281	0.51%
Ruparel,Shila Jayant Kumar Jamnadas	79,980	0.41%
NJOROGE,LUCY MUTHONI	79,000	0.40%
SHAH,MINESH MULCHAND	72,856	0.37%
Total for Top Ten	17,461,328	89.43%
Other Shareholders	2,064,118	10.57%
Total Shares Issued	19,525,446	100.00%

### Domicile Analysis

Domicile	Shares	%	Number of Shareholders
Foreign Companies	13,395,742	68.61%	4
Foreign Individuals	249,281	1.28%	28
Local Companies	312,711	1.60%	85
Local Individuals	5,567,712	28.52%	1,456
Total	19,525,446.00	100%	1,573

### Analysis by number of shares

Number of shares	Shares	%	Number of Shareholders
1 - 500	125,652	0.64%	1,112
501 – 5,000	616,510	3.16%	375
5,001 – 10,000	230,765	1.18%	32
10,001 – 100,000	1,323,027	6.78%	47
100,001 – 1,000,000	966,884	4.95%	5
> 1,000,000	16,262,608	83.29%	2
Totals	19,525,446.00	100%	1,573

### Directors' shareholding

None of the directors holds shares in the Company.

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Companies Act, 2015 requires the directors to prepare financial statements for each financial year that give a true and fair view of the financial position of the Group and of the Company as at the end of the financial year and of their profit or loss for that year. It also requires the directors to ensure that the Group and Company maintain proper accounting records that are sufficient to show and explain the transactions of the Group and of the Company and disclose, with reasonable accuracy, their financial position. The directors are also responsible for safeguarding the assets of the Group and the Company, and for taking reasonable steps for the prevention and detection of fraud and error.

The directors accept responsibility for the preparation and presentation of these financial statements in accordance with the IFRS Accounting Standards and in the manner required by the Companies Act. They also accept responsibility for:

- i. designing, implementing and maintaining such internal control as they determine necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- ii. selecting suitable accounting policies and applying them consistently; and
- iii. making accounting estimates and judgments that are reasonable in the circumstances.

Having assessed the Group's and Company's ability to continue as a going concern, the Directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the Group's and Company's ability to continue as a going concern.

The Directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the Board of Directors 15 April 2026 and signed on its behalf by:

**Mr. S. Maina**  
**Independent Non-Executive Director**  
**Chairman of the Audit & Risk Committee**

**Mr. L. Githinji**  
**Managing Director**

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BOC KENYA PLC

### Report on the audit of the financial statements

#### *Opinion*

We have audited the accompanying financial statements of BOC Kenya Plc (the Company) and its subsidiaries (together, the Group) set out on pages 103 to 157, which comprise the Group and Company statements of financial position at 31 December 2025 and the Group and Company statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of the Group and the Company as at 31 December 2025 and of their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act, 2015.

#### *Basis for opinion*

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of financial statements of public interest entities and the ethical requirements that are applicable to our audit of financial statements in Kenya. We have also fulfilled our ethical responsibilities in accordance with the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Key audit matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

PricewaterhouseCoopers LLP PwC Tower, Waiyaki Way/Chiromo Road,  
Westlands P O Box 43963 – 00100 Nairobi, Kenya  
T: +254 (20) 285 5000 F: +254 (20) 285 5001

Partners: J. Aroi, E Kerich, P Kiambi, B. Kimacia, M. Mugasa, F Muriu, P Ngahu, R. Njoroge,  
S. O Norbert's, B Okundi, K. Saiti

[www.pwc.com/ke](http://www.pwc.com/ke)

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BOC KENYA PLC (Continued)**

### ***Other information***

The other information comprises Notice of Annual General Meeting, Corporate information, About us, Chairman's statement, Managing Director's report, Sustainability, Board of directors, Directors' report, Governance report, Directors' remuneration policy and report, Shareholding structure, Statement of directors' responsibilities and Form of Proxy which we obtained prior to the date of this auditor's report, and the rest of the other information in the Annual Report which is expected to be made available to us after that date, but does not include the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information we have received prior to the date of this auditor's report we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the rest of the other information in the Annual Report and we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### ***Responsibilities of the directors for the financial statements***

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the requirements of the Companies Act, 2015, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or Company or to cease operations, or have no realistic alternative but to do so.

### ***Auditor's responsibilities for the audit of the financial statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BOC KENYA PLC (Continued)**

### **Auditor's responsibilities for the audit of the financial statements (Continued)**

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and/or Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Group's financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable actions taken to eliminate threats or safeguards applied.

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BOC KENYA PLC (Continued)**

### **Auditor's responsibilities for the audit of the financial statements (Continued)**

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on other matters prescribed by the Companies Act, 2015**

#### *Report of the directors*

In our opinion the information given in the directors' report on pages 69 to 70 is consistent with the financial statements.

#### *Directors' remuneration policy and report*

In our opinion the auditable part of the directors' remuneration policy and report on pages 93 to 96 has been properly prepared in accordance with the Companies Act, 2015.

**FCPA Richard Njoroge, Practicing Certificate Number 1244  
Engagement partner responsible for the audit**

**For and on behalf of PricewaterhouseCoopers LLP  
Certified Public Accountants  
Nairobi**

16 April 2026



UNIQUE CODE: 65841260416

## GROUP AND COMPANY STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	GROUP		COMPANY	
		2025	2024	2025	2024
		KShs'000	KShs'000	KShs'000	KShs'000
Revenue	6	1,427,046	1,204,201	1,427,046	1,204,201
Cost of sales	7	(748,288)	(604,273)	(748,288)	(604,273)
<b>Gross profit</b>		<b>678,758</b>	<b>599,928</b>	<b>678,758</b>	<b>599,928</b>
Distribution costs	7	(88,887)	(95,735)	(88,887)	(95,735)
Selling and administrative expenses	7	(239,265)	(246,989)	(245,121)	(251,347)
Impairment provision charge	4(a)	33,078	(34,725)	33,078	(34,725)
Other income	8(a)	59,979	73,966	59,979	73,966
<b>Operating profit</b>		<b>443,663</b>	<b>296,445</b>	<b>437,807</b>	<b>292,087</b>
Finance costs	8(b)	(983)	(991)	(983)	(991)
Profit before income tax		442,680	295,454	436,824	291,096
Income tax expense	9	(128,656)	(83,807)	(128,656)	(83,807)
<b>Profit for the year</b>		<b>314,024</b>	<b>211,647</b>	<b>308,168</b>	<b>207,289</b>
Other comprehensive income					
<i>Items that may be reclassified to profit or loss:</i>					
Translation differences arising from foreign operations		(5,856)	(4,357)	-	-
<i>Items that may not be reclassified to profit or loss:</i>					
Change in fair value of investments held at FVOCI	16	106,920	100,980	106,920	100,980
<b>Total other comprehensive income for the year net of tax</b>		<b>101,064</b>	<b>96,623</b>	<b>106,920</b>	<b>100,980</b>
<b>Total comprehensive income for the year</b>		<b>415,088</b>	<b>308,270</b>	<b>415,088</b>	<b>308,269</b>
<b>Earnings per share (KShs per share):</b>					
Basic and diluted	10	16.08	10.84	15.78	10.62

## GROUP AND COMPANY STATEMENTS OF FINANCIAL POSITION

	Note	GROUP		COMPANY	
		2025 KShs'000	2024 KShs'000	2025 KShs'000	2024 KShs'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	12	373,006	432,097	383,763	442,854
Right-of-use asset	13	9,138	9,528	9,138	9,528
Intangible asset	14	2,012	3,737	2,012	3,737
Investments in subsidiaries	15	-	-	60	60
Equity investment - FVOCI	16	430,650	323,730	430,650	323,730
Deferred income tax	17	51,492	65,987	51,492	65,987
<b>Total non-current assets</b>		<b>866,298</b>	<b>835,079</b>	<b>877,115</b>	<b>845,896</b>
<b>Current assets</b>					
Inventories	18	143,821	254,349	143,821	254,349
Trade and other receivables	19	522,976	477,604	522,976	477,604
Current income tax	20	-	6,485	-	6,485
Cash and cash equivalents	21	1,050,605	676,843	1,050,605	676,843
<b>Total current assets</b>		<b>1,717,402</b>	<b>1,415,281</b>	<b>1,717,402</b>	<b>1,415,281</b>
<b>TOTAL ASSETS</b>		<b>2,583,700</b>	<b>2,250,360</b>	<b>2,594,517</b>	<b>2,261,177</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	22	97,627	97,627	97,627	97,627
Share premium	22	2,554	2,554	2,554	2,554
Other reserves	23	333,191	232,127	380,923	274,003
Retained earnings		1,761,645	1,616,516	1,702,836	1,563,563
<b>Total equity</b>		<b>2,195,017</b>	<b>1,948,824</b>	<b>2,183,940</b>	<b>1,937,747</b>
<b>Non-current liability</b>					
Lease liabilities	24	7,494	7,563	7,494	7,563
<b>Current liabilities</b>					
Lease liabilities	24	1,052	1,052	1,052	1,052
Current income tax	20	15,059	-	15,059	-
Trade and other payables	25	365,078	292,921	386,972	314,815
<b>Total current liabilities</b>		<b>381,189</b>	<b>293,973</b>	<b>403,083</b>	<b>315,867</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,583,700</b>	<b>2,250,360</b>	<b>2,594,517</b>	<b>2,261,177</b>

The financial statements on pages 103 to 157 were approved and authorised for issue by the Board of Directors on 15 April 2026.

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**Mr. S. Maina**  
Independent Non-Executive Director

\_\_\_\_\_  
**Mr. L. Githinji**  
Managing Director

## GROUP STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2025	Share capital KShs'000	Share premium KShs'000	Other reserve KShs'000	Retained earnings KShs'000	Total equity KShs'000
At start of year	97,627	2,554	232,127	1,616,516	1,948,824
Profit for the year	-	-	-	314,024	314,024
<b>Other comprehensive income, net of tax</b>					
Foreign currency translation differences	-	-	(5,856)	-	(5,856)
Change in fair value of investments at FVOCI	-	-	106,920	-	106,920
Total other comprehensive income	-	-	101,064	-	101,064
<b>Total comprehensive income for the year</b>					
	-	-	101,064	314,024	415,088
<b>Transactions with owners</b>					
Dividends to equity holders	-	-	-	(120,081)	(120,081)
- Final dividend paid for 2024	-	-	-	(48,814)	(48,814)
- Interim dividend paid for 2025	-	-	-	-	-
<b>Total transactions with owners</b>					
	-	-	-	(168,895)	(168,895)
<b>At end of year</b>					
	97,627	2,554	333,191	1,761,645	2,195,017

## GROUP STATEMENT OF CHANGES IN EQUITY (Continued)

Year ended 31 December 2024	Share capital KShs'000	Share premium KShs'000	Other reserve KShs'000	Retained earnings KShs'000	Total equity KShs'000
At start of year	97,627	2,554	135,504	1,571,812	1,807,497
Profit for the year	-	-	-	211,647	211,647
<b>Other comprehensive income, net of tax</b>					
Foreign currency translation differences	-	-	(4,357)	-	(4,357)
Change in fair value of investments at FVOCI	-	-	100,980	-	100,980
Total other comprehensive income	-	-	96,623	-	96,623
<b>Total comprehensive income for the year</b>	-	-	96,623	211,647	308,270
<b>Transactions with owners</b>					
Dividends to equity holders					
- Final dividend paid for 2023	-	-	-	(118,129)	(118,129)
- Interim dividend paid for 2024	-	-	-	(48,814)	(48,814)
<b>Total transactions with owners</b>	-	-	-	(166,943)	(166,943)
<b>At end of year</b>	97,627	2,554	232,127	1,616,516	1,948,824

## GROUP STATEMENT OF CHANGES IN EQUITY (Continued)

Year ended 31 December 2025	Share capital KShs'000	Share premium KShs'000	Other reserve KShs'000	Retained earnings KShs'000	Total equity KShs'000
At start of year	97,627	2,554	274,003	1,563,563	1,937,747
Profit for the year	-	-	-	308,168	308,168
<b>Other comprehensive income, net of tax</b>					
Change in fair value of investments at FVOCI	-	-	106,920	-	106,920
<b>Total other comprehensive income</b>	-	-	106,920	308,168	415,088
<b>Transactions with owners</b>					
Dividends to equity holders					
- Final dividend paid for 2024	-	-	-	(120,081)	(120,081)
- Interim dividend paid for 2025	-	-	-	(48,814)	(48,814)
<b>Total transactions with owners</b>	-	-	-	(168,895)	(168,895)
<b>At end of year</b>	97,627	2,554	380,923	1,702,836	2,183,940

## GROUP STATEMENT OF CHANGES IN EQUITY (Continued)

Year ended 31 December 2024	Share capital KShs'000	Share premium KShs'000	Other reserve KShs'000	Retained earnings KShs'000	Total equity KShs'000
At start of year	97,627	2,554	173,023	1,523,217	1,796,421
Profit for the year	-	-	-	207,289	207,289
<b>Other comprehensive income, net of tax</b>					
Change in fair value of investments at FVOCI	-	-	100,980	-	100,980
<b>Total comprehensive income for the year</b>	-	-	100,980	207,289	308,269
<b>Transactions with owners</b>					
Dividends to equity holders					
- Final dividend paid for 2023	-	-	-	(118,129)	(118,129)
- Interim dividend paid for 2024	-	-	-	(48,814)	(48,814)
<b>Total transactions with owners</b>	-	-	-	(166,943)	(166,943)
<b>At end of year</b>	97,627	2,554	274,003	1,563,563	1,937,747

## GROUP AND COMPANY STATEMENTS OF CASH FLOWS

	Note	GROUP		COMPANY	
		2025 KShs'000	2024 KShs'000	2025 KShs'000	2024 KShs'000
<b>Cash flows from operating activities:</b>					
Cash generated from operating activities	26	583,671	330,499	577,815	326,140
Tax paid	20	(92,617)	(162,335)	(92,617)	(162,335)
<b>Net cash flows from operating activities</b>		<b>491,054</b>	<b>168,164</b>	<b>485,198</b>	<b>163,805</b>
<b>Cash flows from investing activities:</b>					
Purchase of property, plant and equipment	12	(1,383)	(21,207)	(1,383)	(21,207)
Purchase of intangibles	14	-	(5,175)	-	(5,175)
Interest received		30,194	48,721	30,194	48,721
Dividends received		29,700	25,245	29,700	25,245
<b>Cash flows from investing activities:</b>		<b>58,511</b>	<b>47,584</b>	<b>58,511</b>	<b>47,584</b>
<b>Cash flows from financing activities</b>					
Payment of lease liabilities	24(d)	(1,052)	(1,052)	(1,052)	(1,052)
Dividends paid		(168,895)	(166,943)	(168,895)	(166,943)
<b>Cash flows used in financing activities</b>		<b>(169,947)</b>	<b>(167,995)</b>	<b>(169,947)</b>	<b>(167,995)</b>
<b>Increase in cash and cash equivalents</b>		<b>379,618</b>	<b>47,753</b>	<b>373,762</b>	<b>43,394</b>
Cash and cash equivalents at start of year		676,843	633,449	676,843	633,449
Effects of exchange rate changes		(5,856)	(4,359)	-	-
Increase in cash and cash equivalents		379,618	47,753	373,762	43,394
<b>Cash and cash equivalents at end of year</b>	21	<b>1,050,605</b>	<b>676,843</b>	<b>1,050,605</b>	<b>676,843</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

### 1. Reporting entity

The Company is incorporated as a limited liability company under the Kenyan Companies Act, 2015 and is domiciled in Kenya. Its registered address is at Kitui Road, PO Box 18010 – 00500 Nairobi Industrial Area. The consolidated financial statements of the Group comprise the Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”). The Group primarily is involved in the manufacture and sale of industrial and medical gases and welding products.

The Company’s shares are listed on the Nairobi Securities Exchange (NSE). The ultimate holding company of BOC Kenya Plc is Linde Plc, which is an Irish-domiciled multinational chemical company formed by the merger of Linde AG of Germany (founded in 1879) and Praxair (founded in 1907 as Linde Air Products Company) of the United States.

### 2. Summary of material accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

#### a. Basis of preparation

The consolidated and separate financial statements (the ‘financial statements’) have been prepared in accordance with IFRS Accounting Standards (IFRS), IFRIC Interpretations and in the manner required by the Companies Act, 2015. The measurement basis applied is the historical cost basis, except for fair value through other comprehensive income investments which have been measured at fair value.

The preparation of financial statements in conformity with IFRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the Directors’ best knowledge of current events, actual results may ultimately differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in Note 3 – Critical accounting estimates and judgements. These financial statements are presented in Kenya Shillings, which is the Company’s functional currency. Except where otherwise indicated, financial information presented in Kenya Shillings has been rounded to the nearest thousand.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 2 Summary of material accounting policies (Continued)

#### (a) Basis of preparation (Continued)

##### Changes in accounting policies

##### i. Relevant new standards and amendments to published standards effective for the first time for the year ended 31 December 2025

Number	Effective date	Executive summary
Amendments to IAS 21 - Lack of Exchangeability	Annual periods beginning on or after 1 January 2025  (Published August 2023)	An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

*The above change has not had any impact on the Group*

##### (ii) Relevant new and revised standards and amendments in issue but not yet effective for the year ended 31 December 2025

Number	Effective date	Executive summary
Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	Annual periods beginning on or after 1 January 2026 (early adoption is available)  (Published May 2024)	<p>These amendments:</p> <ul style="list-style-type: none"> <li>clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system.</li> <li>clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion.</li> <li>add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and</li> <li>make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).</li> </ul> <p><i>The Group is assessing the impact of the above changes on its financial statements.</i></p>
Amendment to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity	Annual periods beginning on or after 1 January 2026 but can be early adopted subject to local endorsement where required.  (Published December 2024)	<p>These amendments change the 'own use' and hedge accounting requirements of IFRS 9 and include targeted disclosure requirements to IFRS 7. These amendments apply only to contracts that expose an entity to variability in the underlying amount of electricity because the source of its generation depends on uncontrollable natural conditions (such as the weather). These are described as 'contracts referencing nature-dependent electricity'.</p> <p><i>The above change is expected to have no impact on the Group.</i></p>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 2 Summary of material accounting policies (Continued)

#### (a) Basis of preparation (Continued)

##### Changes in accounting policies (Continued)

##### (ii) Relevant new and revised standards and amendments in issue but not yet effective for the year ended 31 December 2025 (Continued)

Number	Effective date	Executive summary
Amendment to IAS 21 - Translation to a Hyperinflationary Presentation Currency	Annual periods beginning on or after 1 January 2027 but can be early adopted subject to local endorsement where required.  (Published November 2025)	<p>These narrow-scope amendments specify the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy. The entity applies the amendments if:</p> <ul style="list-style-type: none"> <li>its functional currency is that of a non-hyperinflationary economy and it is translating its results and financial position into the currency of a hyperinflationary economy; or</li> <li>It is translating into the currency of a hyperinflationary economy the results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy.</li> </ul> <p>The amendments aim to improve the usefulness of the resulting information in a cost-effective manner. Developed in response to stakeholder feedback, these amendments are expected to reduce diversity in practice and provide a clearer basis for reporting in a hyperinflationary currency.</p> <p><i>The above change is expected to have no impact on the Group.</i></p>

Title	Effective date	Key requirements
IFRS 18, 'Presentation and Disclosure in Financial Statements'	Annual periods beginning or after 1 January 2027 with early adoption possible subject to local endorsement where required.  (Published April 2024)	<p>This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:</p> <ul style="list-style-type: none"> <li>the structure of the statement of profit or loss;</li> <li>required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and</li> <li>enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.</li> </ul> <p><i>The Group is assessing the impact of the above changes on its financial statements.</i></p>
IFRS 19, 'Subsidiaries without Public Accountability: Disclosures' and amendment (see separate section below for the amendment)	Annual periods beginning on or after 1 January 2027. Earlier application is permitted.  (Published May 2024 and amended in August 2025)	<p>This new standard and amendment works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries.</p> <p>A subsidiary is eligible if:</p> <ol style="list-style-type: none"> <li>it does not have public accountability; and</li> <li>it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.</li> </ol> <p><i>The above change is expected to have no impact on the Group</i></p>
Amendment to IFRS 19, 'Subsidiaries without Public Accountability: Disclosures'	With these amendments, IFRS 19 reflects the changes to IFRS Accounting Standards that take effect up to 1 January 2027, when IFRS 19 will be applicable.  (Published August 2025)	<p>These amendments help eligible subsidiaries by reducing disclosure requirements for Standards and amendments issued between February 2021 and May 2024, specifically:</p> <ul style="list-style-type: none"> <li>IFRS 18 Presentation and Disclosure in Financial Statements.</li> <li>Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7);</li> <li>International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12);</li> <li>Lack of Exchangeability (Amendments to IAS 21); and</li> <li>Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7).</li> </ul> <p><i>The above change is expected to have no impact on the Group</i></p>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 2 Summary of material accounting policies (Continued)

#### b. Business Combination

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred, and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

The excess of the consideration transferred and fair value of any non-controlling interest in the acquiree at the acquisition date over carrying amount of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

A business combination between businesses which are both ultimately controlled by the same party before and after the transaction are accounted for as a common control transaction. The assets and liabilities of the acquired entities are incorporated in the consolidated financial statements at their pre transaction carrying amount without fair value uplift. Any difference between the cost of the transaction and the carrying amount of the net assets acquired is recorded in equity.

The consolidated financial statements include the results of the Company and its subsidiaries. A subsidiary is an entity controlled by BOC Kenya Plc. Control is the power to direct the relevant activities of the subsidiary that significantly affects the subsidiary's return so as to have rights to the variable return from its activities.

Where the Group has the ability to exercise joint control over an entity but has rights to specified assets and obligations for liabilities of that entity, the entity is consolidated on the basis of the Group's rights over those assets and liabilities.

#### i. Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Investments in subsidiaries are accounted for at cost in the Company's financial statements.

#### ii. Changes in the Group's ownership interest in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair values of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 2 Summary of material accounting policies (Continued)

#### (b) Business Combination (Continued)

##### iii) Balances and transactions eliminated at consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

##### iv) Separate financial statements

In the separate financial statements, investments in subsidiaries are accounted for at cost less impairment and investment in associates is accounted for using the equity method. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

#### (c) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "Functional Currency"). The consolidated financial statements are presented in Kenya Shillings, which is the Company's Functional and Presentation currency.

##### i. Transactions and balances in Group entities

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary items that are measured on historical cost basis in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are generally recognised in profit or loss. However, foreign currency differences arising from retranslation of equity investments are recognised in other comprehensive income.

##### ii. Foreign operations

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each Group entity are translated at the closing rate at the reporting date; and
- Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions).
- All resulting exchange differences are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity.

When a foreign operation is sold, exchange differences recognised in other comprehensive income are reclassified to profit or loss as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 2 Summary of material accounting policies (Continued)

#### (d) Revenue

The Group recognises revenue from the sale of goods and services in the ordinary course of the Group's activities. The Group recognises revenue at a point in time or over time as and when it satisfies a performance obligation by transferring control of a product or service to a customer.

The amount of revenue recognised is the amount the Group expects to receive in accordance with the terms of the contract, and excludes amounts collected on behalf of third parties, such as value-added tax (VAT), returns and discounts and after eliminating sales within the Group.

Revenue is recognised as follows:

- i. Sale of medical and industrial gases, equipment, accessories and welding products are recognised in the period in which the Group delivers products to the customer, the customer accepts the products and collectability of the related receivables is reasonably assured.
- ii. Revenue from container rentals, installation of gas tanks and the services are recognized overtime.
- iii. The Company follows the 5-step model of IFRS 15 (Revenue from contracts with customers) to determine how much revenue and at what time, or over which period of time, it will recognize revenue in respect of Customer Engineering Services (CES).

#### (e) Other income and finance costs

Other income comprises interest income on funds invested (including fair value through other comprehensive income), dividend income, gains on the disposal of fair value through other comprehensive income financial assets and gain on disposal of property, plant and equipment. Dividends are received from financial assets measured at fairvalue through other comprehensive income (FVOCI). Dividends are recognised as other income in profit or loss when the right to receive payment is established. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

Interest income is recognised as it accrues in profit or loss, using the effective interest method. Dividend income is recognised in profit or loss on the date that the Group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance costs comprise interest expense on overdraft and unwinding of the discount on lease liabilities. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method. Interest expense on lease liabilities must also be presented as a component of finance cost in the statement of profit or loss and other comprehensive income. Costs which may also be classified as finance cost include other costs associated with the entity's management of cash, cash equivalents and debt.

Foreign currency gains and losses are reported on a gross basis as either finance income or finance cost.

#### (f) Income tax

The income tax expense for the period comprises current and deferred income tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 2 Summary of material accounting policies (Continued)

#### (f) Income tax (Continued)

##### i. Current income tax

The current income tax charge is calculated on the basis of the tax enacted or substantively enacted at the reporting date. The directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

##### ii. Deferred income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

#### (g) Property, plant and equipment

All items of property, plant and equipment are measured at historical cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Items of property, plant and equipment are depreciated from the date they are available for use or, in respect of self-constructed assets, from the date that the asset is completed and ready for use. Depreciation is recognised in profit or loss on a straight-line basis to write down the cost of each asset to residual values over their estimated useful life as follows:

Buildings	40 years
Plant and machinery	5 - 20 years
Cylinders	15 - 25 years
Motor vehicles	5 - 10 years
Furniture, fixtures and equipment	3 - 10 years
Right of use assets	Over the remaining period of the lease

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)**

### **2 Summary of material accounting policies (Continued)**

#### **(g) Property, plant and equipment (Continued)**

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Capital work in progress represents assets that are under construction or that are not immediately available for use and is not depreciated but is reviewed for impairment.

Gains or losses on disposal of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) are recognised in profit or loss.

#### **(h) Intangible assets**

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised to their residual values over their estimated useful lives (three to five years).

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred.

Costs that are directly associated with the production of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets.

Direct costs include the software development employee costs and an appropriate portion of relevant overheads. Computer software development costs recognised as assets are amortised to their residual values over their estimated useful lives (not exceeding three years).

Intangible assets are derecognised when it is disposed of or when no future economic benefits are expected from its use or disposal.

#### **(i) Inventories**

Inventories are measured at the lower of cost and net realisable value. Cost is determined by the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other related direct costs and production overheads (based on normal operating activities), but excludes interest expense. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses. If the purchase or production cost is higher than the net realisable value, inventories are written down to the net realisable value.

#### **(j) Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and for the purposes of the statement of cash flows, bank overdrafts.

#### **(k) Financial instruments**

Financial instruments include balances with banks, term deposits, equity and debt investments, trade and other receivables, trade and other liabilities, lease liabilities and inter-company balances.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 2 Summary of material accounting policies (Continued)

#### (k) Financial instruments (Continued)

##### i. Recognition and measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at Fair Value through Profit and Loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

##### ii. Classification and subsequent measurement

###### Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. The Group does not have any financial assets measured at FVTPL.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss. The Group measures recognise trade receivables, cash, deposits, amounts due from related parties and other receivables at amortised cost.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss. The Group classifies its equity investments at FVOCI.

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)**

### **2 Summary of material accounting policies (Continued)**

#### **(k) Financial instruments (Continued)**

##### **Financial liabilities**

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

The Group classifies all its financial liabilities as subsequently measured at amortised cost

##### **(iii) Derecognition**

###### **Financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

###### **Financial liabilities**

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

##### **(iv) Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

##### **(v) Impairment**

After initial recognition, a financial asset is measured in accordance with its category - at amortised cost, at fair value through other comprehensive income or at fair value through profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 2 Summary of material accounting policies (Continued)

#### (k) Financial instruments (Continued)

##### (v) Impairment (Continued)

###### **Default**

The standard also sets out a rebuttable presumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due. The Company has adopted the default standard definition of 90 days past due.

###### *Subsequent measurement of receivables*

Receivables are generally subsequently measured at amortized cost. Therefore, in accordance, the Company recognizes loss allowances for expected credit losses on its receivables. No loss allowance is recognized for secured parts of a receivable.

###### *Subsequent measurement of other assets and other receivables*

A loss allowance for other assets and other receivables is recognized in accordance with the general impairment approach.

###### *Individual loss allowance*

In addition to the loss allowances for expected credit losses, all receivables which are considered as being material are assessed individually with regard to the probability of degree of recoverability.

The individual loss allowance for a credit-impaired receivable is the amount which will most probably be unrecoverable. If a range of equally probable alternative amounts exists, an unbiased and probability-weighted amount that is determined by evaluating the existing range of possible outcomes shall be considered.

The individual loss allowance is the full carrying amount when there is a high probability that the amount outstanding can no longer be recovered. If applicable, contractually secured parts for the outstanding amount or collaterals such as credit insurances are considered.

###### *Expected Credit Loss for Trade Receivables and Contract Assets*

The loss allowance for trade receivables and contract assets at initial recognition is measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are weighted average credit losses with the respective risks of default occurring as the weights that result from all possible default events over the expected life of a financial instrument. The lifetime expected credit loss rates, that are used to impair the respective assets, are determined by using historical loss rates adjusted – if necessary – for forward looking information.

###### *Historical Loss Rates*

The historical loss rates for each entity within the Group is based on an aging analysis over the expected life of the trade receivables.

They are calculated as ratio between uncollected receivables outstanding (generated in the reference period) and the total historical population of trade receivables in the reference period. This historical population of receivables is defined as the total population of trade receivables generated in two annual periods t-1 and t-2 (reference period) before the fiscal year of the respective balance sheet date. The assessment is made once a year at the year-end and is reviewed quarterly. Recognition of loss allowances The determined loss rates are applied on the current population of trade receivables as Expected Credit Loss (ECL) rates.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 2 Summary of material accounting policies (Continued)

#### (k) Financial instruments (Continued)

##### (v) Impairment (Continued)

The recognition of the loss allowances is as follows:

##### *Reversal of an impairment*

Recoveries of receivables from impairments are reversed by adjusting the respective loss allowance account i.e. the profit or loss. However, the reversal should not result in a carrying amount that exceeds the original invoice amount respectively what amortized cost would have been (at the date of the reversal) had the impairment not been recognized.

##### *Write-off Policy*

The Company will directly reduce the gross carrying amount of a financial asset when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event.

This is generally the case when the Company determines that the customer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off, e.g. in the following cases:

- liquidation / bankruptcy proceedings for customer are finalized.
- Enforcement activities have been stopped without reasonable expectation of recovery of the amounts subject to the write-off

#### (l) Impairment of non-financial assets

If the criteria for a write-off are fulfilled, the respective amounts subject to the write-off are derecognized from the balance sheet.

The derecognition of receivables is as follows:

- In advance of a write-off the respective receivable was - in general - subject to an impairment of 100% of its carrying amount due to the significant increase of credit loss which lead to a credit-impaired receivable or the passage of time.
- The actual write-off of the receivable is recognized by reducing the allowance against the receivable so that the amount of the write-off does not exceed the gross carrying amount of the receivable.

Write-offs do not have an impact on profit or loss, because the amounts written off are reflected in the loss allowance.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has a policy of writing off the gross carrying amount when the financial asset is 365 days past due based on historical experience of recoveries of similar assets.

The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group and Company's procedures for recovery of amounts due.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 2 Summary of material accounting policies (Continued)

#### (l) Impairment of non-financial assets (Continued)

##### Presentation of allowance for ECL in the statement of financial position (Continued)

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication that an asset may be impaired. If any such indication exists, then the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU's) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, an appropriate valuation model is used. Impairment losses are recognised in profit or loss in expense categories consistent with the function of the impaired asset.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, or the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

#### (m) Provisions

Provisions are recognised when the Group and Company have a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in profit or loss net of any reimbursement.

#### (n) Employee benefits

##### i. Retirement benefit obligations

The Group operates a defined contribution scheme for all its employees. Contributions to the defined contribution plan are recognised in profit or loss as incurred and presented as an employee benefit expense. Any difference between the amount recognised in profit or loss and the contributions payable is recorded in the statement of financial position under other receivables or other payables.

##### ii. Other Short-term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 2 Summary of material accounting policies (Continued)

#### (o) Earnings per share

The Group presents basic and diluted Earnings Per Share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

#### (p) Dividends

Dividends payable to the Company's shareholders are recognised as a liability in the period in which they are declared.

#### (q) Related party transactions

The Group discloses the nature, volume and amounts outstanding at the end of each financial year from transactions with related parties, which include transactions with the Directors, executive officers and Group or related companies.

#### (r) Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

##### i) Group as a lessee

The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. For leases of real estate for which the group is a lessee, it has elected to separate lease and non-lease components and instead accounted for them as separate component. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Assets and liabilities arising from a lease are initially measured on a present value basis. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability; any lease payments made at or before the commencement date less any lease incentives received; any initial direct costs; and restoration costs. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)**

### **2 Summary of material accounting policies (Continued)**

#### **(r) Leases (Continued)**

Low-value assets comprise IT equipment and small items of office furniture. Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

#### **ii) Group as lessor**

When assets are leased out under a finance lease, the present value of the lease payments is recognized as a receivable. The difference between the gross receivable and the present value of the receivable is recognized as unearned finance income. Lease income is recognized over the term of the lease using the net investment method (before income tax expense), which reflects a constant periodic rate of return. Payments received under operating lease are charged to profit or loss on a straight-line basis over the period of the lease

#### **(s) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker (CODM), who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Management and the Board who makes operational decisions.

The CODM reviews the results of the business as a whole with a focus of gross and operating margins, return on assets and working capital. Therefore, the business as a whole is considered to be one segment

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 3 Critical accounting estimates and judgements

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

#### **Critical accounting estimates and assumptions**

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### *Income taxes*

The Group is subject to income taxes in various jurisdictions. Significant judgement is required in determining the Group's provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

#### *Impairment of trade and other receivables*

A provision for impairment of trade receivables is made based on an ECL model. The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of expected credit losses. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

#### *Impairment of property*

The Group determines the estimated recoverable amount based on valuation of property on period basis. Any impairment is recognised in line with Group policy out in note 2(g) above.

#### *Useful lives of property, plant and equipment*

The Group determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The rates are set out in note 2(g) above.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 4 Financial risk management

The Group's activities expose it to a variety of financial risks including credit risk, liquidity risk and market risks which mainly comprise effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. This note presents information about the Group's exposure to financial risks, the Group's objectives, policies and processes for measuring and managing the financial risks. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Board Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group Board Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board Audit Committee.

#### a. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and investment securities.

##### *Trade and other receivables*

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, when available, and in some cases references. Credit limits are established for each customer, which represents the maximum open amount without requiring approval from the Risk Management Committee. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group only on a prepayment basis.

The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables and investments. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of expected credit losses. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

##### *Write-off policy*

Where it is considered that there is no realistic prospect of recovering an element of an account against which an impairment allowance has been raised, then that amount will be written off. The determination is reached after considering information such as the occurrence of significant changes in the customer's position such that the customer can no longer pay the obligation.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 4 Financial risk management (Continued)

#### (a) Credit risk (Continued)

The maximum exposure to credit risk at the reporting date was:

	Group		Company	
	2025 KShs'000	2024 KShs'000	2025 KShs'000	2024 KShs'000
Trade receivables (Note 19):				
Third party	475,418	447,608	475,418	447,608
Related party	15,512	15,512	15,512	15,512
<b>Total trade receivables</b>	<b>490,930</b>	<b>463,120</b>	<b>490,930</b>	<b>463,120</b>
Other receivables (Note 19)	2,061	777	2,061	777
Deposit and bank balances (Note 21)	1,050,605	676,843	1,050,605	676,843
<b>Total</b>	<b>1,543,596</b>	<b>1,140,740</b>	<b>1,543,596</b>	<b>1,140,740</b>

No collateral is held on any of the above assets. None of the above assets was impaired except for the following:

<i>Trade receivables</i>	Group		Company	
	2025 KShs'000	2024 KShs'000	2025 KShs'000	2024 KShs'000
Third party:				
Not past due	219,305	191,289	219,305	191,289
Past due 0-30 days	2,259	71,439	2,259	71,439
Past due 31-90 days	113,253	105,830	113,253	105,830
More than 90 days	222,893	198,819	222,893	198,819
<b>Total third party</b>	<b>557,710</b>	<b>567,377</b>	<b>557,710</b>	<b>567,377</b>
Add related parties:	15,512	15,512	34,504	34,504
<b>Total receivables</b>	<b>573,222</b>	<b>582,889</b>	<b>592,214</b>	<b>601,881</b>
Expected credit losses (Note 19):				
Third parties	(82,292)	(119,769)	(82,292)	(119,769)
Related parties	-	-	(18,992)	(18,992)
	<b>(82,292)</b>	<b>(119,769)</b>	<b>(101,284)</b>	<b>(138,761)</b>
<b>Total trade receivables</b>	<b>490,930</b>	<b>463,120</b>	<b>490,930</b>	<b>463,120</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 4 Financial risk management (Continued)

#### (a) Credit risk (Continued)

Analysis of impairment provision

<b>Group - 2025</b>	<b>Government KShs'000</b>	<b>Non- government KShs'000</b>	<b>Total KShs'000</b>
As at 31 December 2025	347,175	226,047	573,222
Loss rate	17%	10%	14%
Loss allowance	59,376	22,916	82,292
<b>Group - 2024</b>	<b>Government KShs'000</b>	<b>Non- government KShs'000</b>	<b>Total KShs'000</b>
As at 31 December 2024	326,664	256,225	582,889
Loss rate	23%	18%	21%
Loss allowance	74,466	45,303	119,769
<b>Company - 2025</b>	<b>Government KShs'000</b>	<b>Non- government KShs'000</b>	<b>Total KShs'000</b>
As at 31 December 2025	347,175	245,039	592,214
Loss rate	17%	17%	17%
Loss allowance	59,376	41,908	101,284
<b>Company - 2024</b>	<b>Government KShs'000</b>	<b>Non- government KShs'000</b>	<b>Total KShs'000</b>
As at 31 December 2024	326,664	275,217	601,881
Loss rate	23%	23%	23%
Loss allowance	74,466	64,295	138,761

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 4 Financial risk management (Continued)

#### (a) Credit risk (Continued)

The movement in expected credit losses in the year is as follows:

	Group		Company	
	2025 KShs'000	2024 KShs'000	2025 KShs'000	2024 KShs'000
At start of year	119,769	85,044	138,761	104,036
Utilised on debt write offs	(4,399)	-	(4,399)	-
(Decrease) / Increase in the year	(33,078)	34,725	(33,078)	34,725
<b>At end of year</b>	<b>82,292</b>	<b>119,769</b>	<b>101,284</b>	<b>138,761</b>
Comprising:				
Allowance on third party receivables	82,292	119,769	82,292	119,769
Allowance on related party receivables	-	-	18,992	18,992
<b>Total</b>	<b>82,292</b>	<b>119,769</b>	<b>101,284</b>	<b>138,761</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 4 Financial risk management (Continued)

#### (a) Credit risk (Continued)

##### *Cash balances held by financial and other institutions*

The Company recognises loss allowances on cash balances at an amount equal to 12-month expected credit losses. The expected credit losses on cash balances are assessed by reference to external credit ratings such as Standard & Poor's Credit Rating Agency if available or historical information about counterparty default rates. The ECL was not material to the financial statements.

		2025	2024
	Credit rating or classification	KShs'000	KShs'000
Cash & bank balances excluding cash on hand:			
CitiBank N.A	BB	1,031,050	635,050
KCB Bank Kenya Limited	BB	9,922	9,923
HFC Bank		2,005	2,005
Mpesa Holding Company Limited		6,110	26,862
Total		1,049,087	673,840

##### *Intercompany receivables*

Management assesses whether the individual intercompany debtors are in significant financial difficulty based on the net asset value of each entity. The net liquid position was therefore measured against the outstanding receivable and impairment losses booked as appropriate.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 4 Financial risk management (Continued)

#### (b) Liquidity risk (Continued)

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The table below analyses liabilities into relevant maturity groupings based on the remaining period at 31 December 2025 and 2024 to the contractual maturity date.

All figures are in thousands of Kenya shillings (KShs '000)

Group	Less than 1 year	1-5 years	Over 5 years	Total
<b>At 31 December 2025</b>				
Lease liabilities	1,052	4,208	19,449	24,709
Trade and other payables	365,078	-	-	365,078
<b>Total</b>	<b>366,130</b>	<b>4,208</b>	<b>19,449</b>	<b>389,787</b>
<b>At 31 December 2024</b>				
Lease liabilities	1,052	4,208	20,502	25,762
Trade and other payables	292,921	-	-	292,921
<b>Total</b>	<b>293,973</b>	<b>4,208</b>	<b>20,502</b>	<b>318,683</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 4 Financial risk management (Continued)

#### (b) Liquidity risk (Continued)

Company	Less than 1 year	1-5 years	Over 5 years	Total
<b>At 31 December 2025</b>				
Lease liabilities	1,052	4,208	19,449	24,709
Trade and other payables	386,972	-	-	386,972
<b>Total</b>	<b>388,024</b>	<b>4,208</b>	<b>19,449</b>	<b>411,681</b>
<b>At 31 December 2024</b>				
Lease liabilities	1,052	4,208	20,502	25,762
Trade and other payables	314,815	-	-	314,815
<b>Total</b>	<b>315,867</b>	<b>4,208</b>	<b>20,502</b>	<b>340,577</b>

#### (c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

##### (i) Currency risk

The Group is exposed to currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of Group entities. The currencies in which these transactions primarily are denominated are South African Rand (ZAR), US Dollars (USD) and Great Britain Pound (GBP), Uganda Shillings (UShs) and Tanzania Shillings (TShs).

A 10 percent strengthening of the Kenyan Shilling against the following currencies at 31 December would have increased/(decreased) profit or loss and equity by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remains constant. The analysis has been performed on the same basis as in 2025 and 2024.

##### Group and Company:

	Profit or loss / equity	
	2025	2024
As at 31 December	KShs '000	KShs '000
US Dollar	-	(5,356)
Euro	-	(38)
Rand	(2,401)	(600)
<b>Net impact</b>	<b>(2,401)</b>	<b>(5,994)</b>

A 10 percent weakening of the Shilling against the above currencies at 31 December would have had an equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 4 Financial risk management (Continued)

#### (c) Market risk (Continued)

##### (ii) Interest rate risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Group	Effective interest rate %	Less than a year KShs'000	Due between 1 and 5 years KShs'000	Over 5 years KShs'000	Non-interest bearing KShs'000	Total KShs'000
<b>As at 31 December 2025</b>						
<b>ASSETS</b>						
Trade and other receivables	-	-	-	-	522,976	522,976
Cash and cash equivalents	-	-	-	-	1,050,605	1,050,605
		-	-	-	1,573,581	1,573,581
<b>LIABILITIES</b>						
Lease liabilities	13.0%	1,052	5,152	2,342	-	8,546
Trade and other payables	-	-	-	-	365,078	365,078
		1,052	5,152	2,342	365,078	373,624
<b>As at 31 December 2024</b>						
<b>ASSETS</b>						
Trade and other receivables	-	-	-	-	477,604	477,604
Cash and cash equivalents	9.79%	552,005	-	-	124,838	676,843
		552,005	-	-	602,442	1,154,447
<b>LIABILITIES</b>						
Lease liabilities	13.0%	1,052	4,208	3,355	-	8,615
Trade and other payables	-	-	-	-	292,921	292,921
		1,052	4,208	3,355	292,921	301,536
<b>Company</b>						
	Effective interest rate %	Less than 1 year KShs'000	Due between 1 and 5 years KShs'000	Over 5 years KShs'000	Non-interest bearing KShs'000	Total KShs'000
<b>As at 31 December 2025</b>						
<b>ASSETS</b>						
Trade and other receivables	-	-	-	-	522,976	522,976
Cash and cash equivalents	-	-	-	-	1,050,605	1,050,605
		-	-	-	1,573,581	1,573,581
<b>LIABILITIES</b>						
Lease liabilities	13.0%	1,052	5,152	2,342	-	8,546
Trade and other payables	-	-	-	-	386,972	386,972
		1,052	5,152	2,342	386,972	395,518
<b>As at 31 December 2024</b>						
<b>ASSETS</b>						
Trade and other receivables	-	-	-	-	477,604	477,604
Cash and cash equivalents	9.79%	552,005	-	-	124,838	676,843
		552,005	-	-	602,442	1,154,447
<b>LIABILITIES</b>						
Lease liabilities	13.0%	1,052	4,208	3,355	-	8,615
Trade and other payables	-	-	-	-	314,815	314,815
		1,052	4,208	3,355	314,815	323,430

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 4 Financial risk management (Continued)

#### (c) Market risk (Continued)

##### (ii) Interest rate risk (Continued)

##### Sensitivity analysis

An increase of one percentage point in interest rates at the reporting date would have increased/(decreased) profit or loss and equity by the amounts shown below.

This analysis assumes that all other variables, in particular foreign currency rates, remain constant. This analysis is performed on the same basis for 2025.

##### Effect in Kenyan Shillings thousands

	Profit or loss/equity Group and Company	
	2025 KShs' 000	2024 KShs' 000
Interest bearing assets	-	5,520

A decrease of one percentage point in interest rates at the reporting date would have had an equal but opposite effect on the profit or loss, on the basis that all other variables remain constant.

##### (ii) Equity price risk

The Group is exposed to fluctuation in the market price on its equity investment. The fair value of the investment at 31 December 2025 and 31 December 2024 is as follows:

	2025 KShs' 000	2024 KShs' 000
<b>Group and Company</b>		
Equity investment - FVOCI (Note 16)	430,650	323,730

##### Sensitivity analysis on equity prices

A decrease of 10% in the share prices would have the following effect on the other comprehensive income as follows:

##### Effect in Kenyan Shillings thousands

	Other reserves	
	2025 KShs	2024 KShs
<b>Group and company</b>		
Equity investment - FVOCI	(43,065)	(32,373)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 4 Financial risk management (Continued)

#### (d) Fair value of financial assets and financial liabilities (Continued)

The fair values of other financial assets and financial liabilities is the same as the carrying amounts as shown in the statement of financial position due to their short-term nature.

Group	Financial assets at amortised cost KShs '000	Financial assets at FVOCI KShs '000	Other amortised cost KShs '000	Total carrying value KShs '000	Fair value KShs '000
<b>2025</b>					
<b>Financial assets</b>					
Equity investment -FVOCI	-	430,650	-	430,650	430,650
Trade and other receivables	522,976	-	-	522,976	522,976
Cash and cash equivalents	1,050,605	-	-	1,050,605	1,050,605
<b>Total</b>	<b>1,573,581</b>	<b>430,650</b>	<b>-</b>	<b>2,004,231</b>	<b>2,004,231</b>
<b>Financial liabilities</b>					
Trade and other payables	-	-	365,078	365,078	365,078
Lease liabilities	-	-	8,546	8,546	8,546
<b>Total</b>	<b>-</b>	<b>-</b>	<b>373,624</b>	<b>373,624</b>	<b>373,624</b>
<b>2024</b>					
<b>Financial assets</b>					
Equity investment -FVOCI	-	323,730	-	323,730	323,730
Trade and other receivables	477,604	-	-	477,604	477,604
Cash and cash equivalents	676,843	-	-	676,843	676,843
<b>Total</b>	<b>1,154,447</b>	<b>323,730</b>	<b>-</b>	<b>1,478,177</b>	<b>1,478,177</b>
<b>Financial liabilities</b>					
Trade and other payables	-	-	292,921	292,921	292,921
Lease liabilities	-	-	8,615	8,615	8,615
<b>Total</b>	<b>-</b>	<b>-</b>	<b>301,536</b>	<b>301,536</b>	<b>301,536</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 4 Financial risk management (Continued)

#### (d) Fair value of financial assets and financial liabilities (Continued)

Company	Financial assets at amortised cost KShs '000	Financial assets at FVOCI KShs '000	Other amortised cost KShs '000	Total carrying value KShs '000	Fair value KShs '000
<b>2025</b>					
<b>Financial assets</b>					
Equity investment - FVOCI	-	430,650	-	430,650	430,650
Trade and other receivables	522,976	-	-	522,976	522,976
Cash and cash equivalent	1,050,605	-	-	1,050,605	1,050,605
	<u>1,573,581</u>	<u>430,650</u>	<u>-</u>	<u>2,004,231</u>	<u>2,004,231</u>
<b>Financial liabilities</b>					
Trade and other payables	-	-	386,972	386,972	386,972
Lease liabilities	-	-	8,546	8,546	8,546
	<u>-</u>	<u>-</u>	<u>395,518</u>	<u>395,518</u>	<u>395,518</u>
<b>2024</b>					
<b>Financial assets</b>					
Equity investment - FVOCI	-	323,730	-	323,730	323,730
Trade and other receivables	477,604	-	-	477,604	477,604
Cash and cash equivalent	676,843	-	-	676,843	676,843
	<u>1,154,447</u>	<u>323,730</u>	<u>-</u>	<u>1,478,177</u>	<u>1,478,177</u>
<b>Financial liabilities</b>					
Trade and other payables	-	-	314,815	314,815	314,815
Lease liabilities	-	-	8,615	8,615	8,615
	<u>-</u>	<u>-</u>	<u>323,430</u>	<u>323,430</u>	<u>323,430</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 4 Financial risk management (Continued)

#### (d) Fair value of financial assets and financial liabilities (Continued)

##### *Fair value hierarchy*

The valuation hierarchy, and types of instruments classified into each level within that hierarchy, is set out below:

	Level 1	Level 2	Level 3
Fair value determined using:	Unadjusted quoted prices in an active market for identical assets and liabilities	Valuation models with directly or indirectly market observable inputs	Valuation models using significant non-market observable inputs
Types of financial assets:	Listed equities	None	None
Types of financial liabilities:	None	None	None

The table below shows the classification of financial instruments held at fair value into the valuation hierarchy set out below as at 31 December:

##### Group and Company

	Level 1 KShs'000	Level 2 KShs'000	Level 3 KShs'000	Total KShs'000
<b>31 December 2025:</b>				
<b>Financial assets at FVOCI</b>				
Equity investment	430,650	-	-	430,650
<hr/>				
	Level 1 KShs'000	Level 2 KShs'000	Level 3 KShs'000	Total KShs'000
<b>31 December 2024:</b>				
<b>Financial assets at FVOCI</b>				
Equity investment	323,730	-	-	323,730

#### (e) Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as net operating income divided by total shareholders' equity. The Board of Directors also monitors the level of dividends to ordinary shareholders. Capital comprises all components of equity (i.e. share capital, retained earnings, and other reserves).

There is no externally imposed capital requirement.

There were no changes in the Group's approach to capital management during the year.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 5 Segment information

Management and the Board comprise the Group's chief operating decision-maker. The chief operating decision - maker considers the business from a customer-sector perspective. Performance is measured based on each segment's gross profit percentage relative to budget and prior years. Previously the entity considered the countries as operating segments. However, the Group ceased operations in Tanzania and Uganda in 2021, and therefore, the only operating segment remains Kenya/the Company.

### 6 Revenue

	Group and Company	
	2025 KShs'000	2024 KShs'000
Sale of medical and industrial gases	1,068,719	954,842
Installations of gas tanks and services	262,085	146,870
Equipment, accessories & welding products	62,406	62,209
Container rentals	33,836	40,280
<b>Total</b>	<b>1,427,046</b>	<b>1,204,201</b>
Recognised at a point in time	1,131,125	1,017,051
Recognised over time	295,921	187,150
<b>Total</b>	<b>1,427,046</b>	<b>1,204,201</b>

### 7 Other Operating Income and Expenses

	Group		Company	
	2025 KShs'000	2024 KShs'000	2025 KShs'000	2024 KShs'000
<b>(a) Expenses by function comprise:</b>				
Cost of sales	748,288	604,273	748,288	604,273
Distribution costs	88,887	95,735	88,887	95,735
Selling and administrative expenses	239,265	246,989	245,121	251,347
	<b>1,076,440</b>	<b>946,997</b>	<b>1,082,296</b>	<b>951,355</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 7 Other Operating Income and Expenses (Continued)

	Group		Company	
	2025 KShs'000	2024 KShs'000	2025 KShs'000	2024 KShs'000
<b>(b) Expenses by nature comprise:</b>				
Product costs	413,005	265,332	413,005	265,332
Employee benefits and other staff costs	213,512	200,727	213,512	200,727
Electricity costs	160,823	172,823	160,823	172,823
Depreciation on PPE (Note 12)	60,474	68,861	60,474	68,861
Depreciation on right of use asset (Note 13)	390	390	390	390
Amortisation of intangible assets (Note 14)	1,725	1,438	1,725	1,438
Vehicle expenses	50,103	41,753	50,103	41,753
Repairs & maintenance	32,676	29,417	32,676	29,417
Security and cleaning services	15,026	17,734	15,026	17,734
Travel and accommodation	23,514	15,171	23,514	15,171
Legal and professional Fees	23,554	21,977	23,554	21,977
Directors fees	8,920	6,210	8,920	6,210
Foreign currency exchange (gains)/losses	(15,311)	10,273	(9,454)	14,632
Insurance	10,112	8,928	10,112	8,928
Management fee and Group charges	33,911	35,835	33,911	35,835
Auditor's remuneration	5,099	7,514	5,099	7,514
Staff Canteen	4,946	4,179	4,946	4,179
Software licences	4,688	2,391	4,688	2,391
Cylinder holding adjustments	-	2,261	-	2,261
Printing & stationery	4,263	3,011	4,263	3,011
Statutory Fees & Subscriptions	2,548	2,870	2,548	2,870
Other expenses	22,462	27,902	22,461	27,901
	<b>1,076,440</b>	<b>946,997</b>	<b>1,082,296</b>	<b>951,355</b>

### (c) Employee benefits

The following items are included within staff costs:

Salaries and other staff cost  
Social security benefits  
Retirement benefits costs:  
- defined contribution scheme  
**Total**

Group and Company	
2025 KShs'000	2024 KShs'000
200,493	188,041
2,674	1,355
10,345	11,331
<b>213,512</b>	<b>200,727</b>

The average number of employees at Company and Group in 2025 was 55 (55 in 2024).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 8 Other Income and Finance Costs

	Group and Company	
	2025 KShs'000	2024 KShs'000
<b>(a) Other income</b>		
Dividend income	29,700	25,245
Interest income	30,194	48,721
Sundry income	85	-
<b>Total</b>	<b>59,979</b>	<b>73,966</b>
<b>(b) Finance Costs</b>		
Interest on lease liabilities (Note 24)	983	991

### 9 Income tax expense

	Note	Group		Company	
		2025 KShs'000	2024 KShs'000	2025 KShs'000	2024 KShs'000
<b>Current tax expense:</b>					
Current income tax charge	20	114,161	95,738	114,161	95,738
Deferred income tax charge / (credit)	17	13,744	(11,180)	13,744	(11,180)
Prior year under / (over) provision in deferred tax		751	(751)	751	(751)
<b>Income tax expense</b>		<b>128,656</b>	<b>83,807</b>	<b>128,656</b>	<b>83,807</b>

The tax on the Group and Company profit before income tax differs from the theoretical amount that would arise using the basic tax rate as follows:

<b>Profit before income tax</b>	<b>442,680</b>	<b>295,454</b>	<b>436,824</b>	<b>291,096</b>
Tax calculated at 30%	132,804	88,636	131,047	87,329
Tax effect of:				
Dividend income taxed at 5%	(7,425)	(6,311)	(7,425)	(6,311)
Expenses not deductible for tax	4,598	3,540	4,598	3,540
Income not subject to tax	(2,072)	(1,307)	(315)	-
Prior year under / (over) provision	751	(751)	751	(751)
<b>Income tax expense</b>	<b>128,656</b>	<b>83,807</b>	<b>128,656</b>	<b>83,807</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 10 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders with the weighted average number of ordinary shares outstanding during the year.

There were no potentially dilutive shares outstanding at 31 December 2025 or 31 December 2024. Therefore, the dilutive earnings per share and the calculation thereof equals the basic earnings per share.

	Group		Company	
	2025 Kshs'000	2024 Kshs'000	2025 Kshs'000	2024 Kshs'000
Net profit attributable to shareholders	314,024	211,647	308,168	207,289
Weighted average number of ordinary shares in issue (Number)	19,525	19,525	19,525	19,525
Basic and dilutive earnings per share (KShs)	16.08	10.84	15.78	10.62

### 11 Dividends per share

At the next Annual General Meeting a final dividend in respect of the year ended 31 December 2025 of KShs. 10.35 per share amounting to a total of KShs 202,088,366 is to be proposed. (Final dividend of KShs. 6.15 per share was proposed in 2024 amounting to a total of Kshs. 120,081,493)

The Company paid an interim dividend of KShs. 2.5 per share in respect of the year 2025 (2024: KShs 2.50 per share).

Payment of dividends is subject to withholding tax at a rate of either 5% for resident shareholders or 15% for non-resident shareholders.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)**

**12 Property, plant and equipment**

**(a) Group**

2025	Land & buildings KShs' 000	Plant & machinery KShs' 000	Motor vehicles KShs' 000	Cylinders KShs' 000	Furniture & equipment KShs' 000	Work in progress KShs' 000	Total KShs' 000
Cost:							
At 1 January 2025	100,855	735,281	180,384	514,760	52,328	-	1,583,608
Additions	824	-	-	-	559	-	1,383
Transfers	-	-	-	-	-	-	-
<b>At 31 December 2025</b>	<b>101,679</b>	<b>735,281</b>	<b>180,384</b>	<b>514,760</b>	<b>52,887</b>	<b>-</b>	<b>1,584,991</b>
Depreciation:							
At 1 January 2025	(76,262)	(582,343)	(152,978)	(292,718)	(47,210)	-	(1,151,511)
Charge for the year	(2,590)	(20,531)	(6,101)	(29,075)	(2,177)	-	(60,474)
<b>At 31 December 2025</b>	<b>(78,852)</b>	<b>(602,874)</b>	<b>(159,079)</b>	<b>(321,793)</b>	<b>(49,387)</b>	<b>-</b>	<b>(1,211,985)</b>
<b>Carrying value:</b>							
<b>At 31 December 2025</b>	<b>22,827</b>	<b>132,407</b>	<b>21,305</b>	<b>192,967</b>	<b>3,500</b>	<b>-</b>	<b>373,006</b>

During the year, there were no disposals of fixed assets, hence no sales proceeds (2024 – KShs Nil). Work in progress comprises costs incurred on assets under construction or on shipment. Such costs are capitalised when the asset has been completed and brought into use.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)**
**12 Property, plant and equipment (Continued)**
**(a) Group**

2024	Land & buildings KShs' 000	Plant & machinery KShs' 000	Motor vehicles KShs' 000	Cylinders KShs' 000	Furniture & equipment KShs' 000	Work in progress KShs' 000	Total KShs' 000
Cost:							
At 1 January 2024	100,855	732,276	171,203	511,171	46,320	576	1,562,401
Additions	-	-	-	-	-	21,207	21,207
Transfers	-	3,005	9,181	3,589	6,008	(21,783)	-
<b>At 31 December 2024</b>	<b>100,855</b>	<b>735,281</b>	<b>180,384</b>	<b>514,760</b>	<b>52,328</b>	<b>-</b>	<b>1,583,608</b>
Depreciation:							
At 1 January 2024	(73,675)	(558,892)	(141,177)	(263,270)	(45,636)	-	(1,082,650)
Charge for the year	(2,587)	(23,451)	(11,801)	(29,448)	(1,574)	-	(68,861)
<b>At 31 December 2024</b>	<b>(76,262)</b>	<b>(582,343)</b>	<b>(152,978)</b>	<b>(292,718)</b>	<b>(47,210)</b>	<b>-</b>	<b>(1,151,511)</b>
<b>Carrying value:</b>							
<b>At 31 December 2024</b>	<b>24,593</b>	<b>152,938</b>	<b>27,406</b>	<b>222,042</b>	<b>5,118</b>	<b>-</b>	<b>432,097</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)**  
**12 Property, plant and equipment (Continued)**

**(b) Company**

2025	Land & buildings KShs' 000	Plant & machinery KShs' 000	Motor vehicles KShs' 000	Cylinders KShs' 000	Furniture & equipment KShs' 000	Work in progress KShs' 000	Total KShs' 000
<b>Cost:</b>							
At 1 January 2025	100,855	746,037	180,385	514,759	52,329	-	1,594,365
Additions	824	-	-	-	559	-	1,383
Transfers	-	-	-	-	-	-	-
<b>At 31 December 2025</b>	<b>101,679</b>	<b>746,037</b>	<b>180,385</b>	<b>514,759</b>	<b>52,888</b>	<b>-</b>	<b>1,595,748</b>
<b>Depreciation:</b>							
At 1 January 2025	(76,264)	(582,341)	(152,981)	(292,717)	(47,208)	-	(1,151,511)
Charge for the year	(2,590)	(20,531)	(6,101)	(29,075)	(2,177)	-	(60,474)
<b>At 31 December 2025</b>	<b>(78,854)</b>	<b>(602,872)</b>	<b>(159,082)</b>	<b>(321,792)</b>	<b>(49,385)</b>	<b>-</b>	<b>(1,211,985)</b>
<b>Carrying value:</b>							
At 31 December 2025	22,825	143,165	21,303	192,967	3,503	-	383,763

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)**  
**12 Property, plant and equipment (Continued)**

**(b) Company**

2024	Land & buildings KShs' 000	Plant & machinery KShs' 000	Motor vehicles KShs' 000	Cylinders KShs' 000	Furniture & equipment KShs' 000	Work in progress KShs' 000	Total KShs' 000
<b>Cost:</b>							
At 1 January 2024	100,855	743,032	171,204	511,170	46,320	577	1,573,158
Additions	-	-	-	-	-	21,207	21,207
Transfers	-	3,005	9,181	3,589	6,009	(21,784)	-
<b>At 31 December 2024</b>	<b>100,855</b>	<b>746,037</b>	<b>180,385</b>	<b>514,759</b>	<b>52,329</b>	<b>-</b>	<b>1,594,365</b>
<b>Depreciation:</b>							
At 1 January 2024	(73,677)	(558,890)	(141,180)	(263,269)	(45,634)	-	(1,082,650)
Charge for the year	(2,587)	(23,451)	(11,801)	(29,448)	(1,574)	-	(68,861)
<b>At 31 December 2024</b>	<b>(76,264)</b>	<b>(582,341)</b>	<b>(152,981)</b>	<b>(292,717)</b>	<b>(47,208)</b>	<b>-</b>	<b>(1,151,511)</b>
<b>Carrying value:</b>							
<b>At 31 December 2024</b>	<b>24,591</b>	<b>163,696</b>	<b>27,404</b>	<b>222,042</b>	<b>5,121</b>	<b>-</b>	<b>442,854</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 13 Right-of-use assets

#### Group and company

	Note	2025 KShs'000	2024 KShs'000
Right-of-use asset related to leased land			
<b>Cost:</b>		11,089	11,089
<b>Depreciation:</b>			
Start of year		(1,561)	(1,171)
Charge for the year	7(b)	(390)	(390)
End of year		(1,951)	(1,561)
<b>Net carrying amount at end of year</b>		<b>9,138</b>	<b>9,528</b>

### 14 Intangible assets

#### Group and company

	Note	2025 KShs'000	2024 KShs'000
<b>Cost:</b>			
Start of year		9,442	4,267
Additions		-	5,175
End of year		9,442	9,442
<b>Depreciation:</b>			
Start of year		(5,705)	(4,267)
Charge for the year	7(b)	(1,725)	(1,438)
End of year		(7,430)	(5,705)
<b>Net carrying amount at end of year</b>		<b>2,012</b>	<b>3,737</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 15 Investments in subsidiaries

Percentage Company	shareholding	2025 KShs'000	2024 KShs'000
BOC Tanzania Limited	100%	10	10
BOC Uganda Limited	100%	50	50
<b>Total</b>		<b>60</b>	<b>60</b>

BOC Tanzania Limited and BOC Uganda Limited are incorporated in Tanzania and Uganda respectively. Both Companies are dormant.

### 16 Equity investment FVOCI

	Group and Company	
	2025 KShs'000	2024 KShs'000
At start of year	323,730	222,750
Increase in fair value	106,920	100,980
At end of year	<b>430,650</b>	<b>323,730</b>

The balance relates to the fair value of equity shares held in Carbacid Investments PLC, which is quoted at the Nairobi Securities Exchange. The fair value is based on the quoted market prices at the year end. At inception in year 2000, the shares cost KShs 33,621,000. BOC Kenya PLC holds a 5.83% minority stake in Carbacid Investments PLC.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 17 Deferred income tax

Deferred income tax is calculated, in full, on all temporary differences under the liability method using a principal tax rate of 30% (2024 – 30%).

	Group and Company	
	2025 KShs'000	2024 KShs'000
Deferred income tax	51,492	65,987

The movement on the deferred tax account is as follows:

At start of year	65,987	54,056
Recognised in profit or loss (Note 9)	(14,495)	11,931
	-	-
<b>At end of year</b>	<b>51,492</b>	<b>65,987</b>

Consolidated deferred tax assets and deferred tax charge / (credit) to profit or loss account are attributable to the items below:

#### Group and Company:

	At 1 January Kshs '000	Recognised in profit or loss Kshs '000	At 31 December Kshs '000
<b>Year ended 31 December 2025:</b>			
Property, plant and equipment	6,497	(5,626)	871
Accrued expenses and provisions	59,490	(8,869)	50,621
<b>Net deferred income tax asset</b>	<b>65,987</b>	<b>(14,495)</b>	<b>51,492</b>
	At 1 January Kshs '000	Recognised in profit or loss Kshs '000	At 31 December Kshs '000
<b>Year ended 31 December 2024:</b>			
Property, plant and equipment	479	6,018	6,497
Accrued expenses and provisions	53,577	5,913	59,490
<b>Net deferred income tax asset</b>	<b>54,056</b>	<b>11,931</b>	<b>65,987</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 18 Inventories

	Group and Company	
	2025 KShs'000	2024 KShs'000
Finished goods and other saleable stock	126,952	214,461
Spare parts	64,106	71,161
Raw materials	3,142	21,497
Impairment allowance	(50,379)	(52,770)
	<b>143,821</b>	<b>254,349</b>

The cost of inventory recognized as an expense and included in cost of sales amounted to KShs 411,824,595 (2024 – KShs 268,366,843) for both Group and Company.

The inventories balance is net provision of the following provisions for slow moving and obsolete stock.

	Group and Company	
	2025 KShs'000	2024 KShs'000
At start of year	52,770	47,600
Impairment (credit) / charge for the year	(2,391)	5,170
<b>At end of year</b>	<b>50,379</b>	<b>52,770</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 19 Trade and other receivables

	GROUP		COMPANY	
	2025 KShs'000	2024 KShs'000	2025 KShs'000	2024 KShs'000
Third party receivables:				
Trade receivables	451,541	458,587	451,541	458,587
Contract assets	106,169	108,790	106,169	108,790
Sub-total	557,710	567,377	557,710	567,377
Allowance for expected credit losses	(82,292)	(119,769)	(82,292)	(119,769)
Net of impairment allowance	475,418	447,608	475,418	447,608
Related party receivables (Note 30(c)):				
Trade receivables	15,512	15,512	34,504	34,504
Allowance for expected credit losses	-	-	(18,992)	(18,992)
Net of impairment allowance	15,512	15,512	15,512	15,512
Total trade receivables	490,930	463,120	490,930	463,120
Other receivables	2,061	777	2,061	777
Prepayments	29,985	13,707	29,985	13,707
Total	522,976	477,604	522,976	477,604

### 20 Current income tax

	Group and Company	
	2025 KShs'000	2024 KShs'000
At start of year	6,485	(60,112)
Tax Paid	92,617	162,335
Change for the year	(114,161)	(95,738)
Income tax (payable) / receivable	(15,059)	6,485

### 21 Cash and cash equivalents

For the purposes of the statement of cash flows, the year-end cash and cash equivalents comprise the following:

	Group and Company	
	2025 KShs'000	2024 KShs'000
Short term bank balances	-	552,005
Cash at bank	1,050,605	124,838
Total	1,050,605	676,843

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 22 Share capital and share premium

(a) Share capital	Number of shares	Share capital KShs'000
<b>Group and Company:</b>		
Authorised (ordinary shares)	20,000,000	100,000
Issued and fully paid 2025 and 2024	19,525,446	97,627

The total authorised and issued number of ordinary shares is 19,525,446 with a par value of Shs 5 per share. All issued shares are fully paid up.

### (b) Share premium

Share premium arose when the shares of the Company were issued at a price higher than the nominal (par) value.

### 23 Other reserves

	Group			Company		
	Currency Translation Reserve KShs'000	Fair Value Reserve KShs'000	Total KShs'000	Currency Translation Reserve KShs'000	Fair Value Reserve KShs'000	Total KShs'000
<b>Year 2025:</b>						
At 1 January 2025	(41,876)	274,003	232,127	-	274,003	274,003
Change in fair value of investments	-	106,920	106,920	-	106,920	106,920
Translation differences	(5,856)	-	(5,856)	-	-	-
At 31 December 2025	(47,732)	380,923	333,191	-	380,923	380,923
<b>Year 2024:</b>						
At 1 January 2024	(37,519)	173,023	135,504	-	173,023	173,023
Change in fair value of investments	-	100,980	100,980	-	100,980	100,980
Translation differences	(4,357)	-	(4,357)	-	-	-
At 31 December 2024	(41,876)	274,003	232,127	-	274,003	274,003

### (a) Fair value reserve

The fair value reserve includes the cumulative net change in the fair value of financial instruments measured at fair value through Other Comprehensive Income (OCI), recognised in other comprehensive income.

### (b) Foreign currency translation reserve

Translation reserves relate to differences arising from closing and opening exchange rates applicable to assets and liabilities in the subsidiaries.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 24 Lease liabilities

The Company leases land in Nairobi Industrial Area where its offices and production facilities are located as well as in Mombasa and Kisumu where it has branch offices. Information on these leases for which the Company is a lessee is presented below.

	Note	Group and Company	
		KShs'000 2025	KShs'000 2024
<b>(a) Lease liabilities</b>			
At start of year		8,615	8,676
Interest on lease	8(b)	983	991
Payment/payable in the year		(1,052)	(1,052)
<b>At end of year</b>		<b>8,546</b>	<b>8,615</b>
Non-current		7,494	7,563
Current		1,052	1,052
		<b>8,546</b>	<b>8,615</b>
<b>(b) Leases terms</b>			
		Lease Term	Unexpired Lease Term
Nairobi		99 years	23 years
Mombasa		55 years	22 years
Kisumu		99 years	65 years
<b>(c) Amounts recognised in profit or loss</b>			
Depreciation of right-of-use assets	13	390	390
Interest on lease liabilities	8(b)	983	991
<b>(d) Amount recognised in statement of cash flows</b>			
Total cash outflows for leases		1,052	1,052

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 25 Trade and other payables

	GROUP		COMPANY	
	2025 KShs'000	2024 KShs'000	2025 KShs'000	2024 KShs'000
Cylinder deposits	128,441	119,684	128,441	119,684
Trade payables	59,888		59,888	63,714
Amounts due to related companies (Note 30(d))	10,544	9,105	32,438	30,999
Accruals and other payable	166,205	100,418	166,205	100,418
<b>Total</b>	<b>365,078</b>	<b>292,921</b>	<b>386,972</b>	<b>314,815</b>

### 26 Cash generated from operations

Reconciliation of profit before income tax to cash generated from operating activities:

Note	GROUP		COMPANY	
	2025 KShs'000	2024 KShs'000	2025 KShs'000	2024 KShs'000
<b>Profit before income tax</b>	442,680	295,454	436,824	291,096
<i>Adjustments for:</i>				
Depreciation on PPE	12	60,474	68,861	60,474
Depreciation on ROU asset	13	390	390	390
Amortisation of intangible asset	14	1,725	1,438	1,438
Interest income	8	(30,194)	(48,721)	(30,194)
Interest on lease liability	24	983	991	991
Dividend income	8	(29,700)	(25,245)	(25,245)
Changes in working capital:				
<i>Trade and other receivables</i>		(45,372)	92,665	(45,372)
<i>Inventories</i>		110,528	(66,728)	110,528
<i>Trade and other payables</i>		72,157	11,394	(66,726)
<b>Cash generated from operating activities</b>		<b>583,671</b>	<b>330,499</b>	<b>577,815</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 27 Net debt reconciliation

This section analyses the net debt and movements in net debts of each period

	Group		Company	
	2025 KShs'000	2024 KShs'000	2025 KShs'000	2024 KShs'000
Net cash and cash equivalents	1,050,605	676,843	1,050,605	676,843
Lease liabilities	(8,546)	(8,615)	(8,546)	(8,615)
<b>Net cash</b>	<b>1,042,059</b>	<b>668,228</b>	<b>1,042,059</b>	<b>668,228</b>

	Group			Company		
	Liabilities from financing activities KShs'000	Cash KShs'000	Total KShs'000	Liabilities from financing activities KShs'000	Cash KShs'000	Total KShs'000
Net debt as at 1 January 2024	(8,676)	633,449	624,773	(8,676)	633,449	624,773
Financing cashflows	1,052	43,394	44,446	1,052	43,394	44,446
Interest on lease	(991)	-	(991)	(991)	-	(991)
Net debt as at 31 December 2024	(8,615)	676,843	668,228	(8,615)	676,843	668,228
Financing cashflows	1,052	373,762	374,814	1,052	373,762	374,814
Interest on lease	(983)	-	(983)	(983)	-	(983)
Net debt as at 31 December 2025	(8,546)	1,050,605	1,042,059	(8,546)	1,050,605	1,042,059

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 28 Contingent liabilities

At 31 December 2025, the Group and Company's bankers had issued various guarantees in favour of third parties (primarily the Group and Company's public sector customers) amounting KShs 41,285,806.24 (31 December 2024 – KShs 35,077,207).

The Company has the following bank facilities:

Facility description	Currency	Limit	
		2025	2024
Trade Finance, Bonds and Guarantees	USD	1,561,000	1,561,000
Open-ended Bonds and Guarantees	KES	100,000	100,000
Overdrafts and advances	USD	1,000,000	1,000,000
Pre-settlement Exposure on Foreign Currency Transactions	USD	500,000	-

The facilities above were reviewed in 2025 and aligned with current business needs.

There are certain pending routine tax reconciliations with the tax authorities and labour-related legal claims for which provision has not been made in the books as the Directors are of the opinion that the possibility of payment is remote.

### 29 Capital commitments

At 31 December 2025, the Group had no capital commitments (2024 – KShs 19,013,894).

### 30 Related party transactions

The ultimate parent of the Group is Linde Plc a company incorporated and domiciled in Ireland while the immediate parent is BOC Holdings (UK). There are other companies that are related to BOC Kenya Plc through common shareholdings or common Directorships.

The following transactions were carried out with related parties:

(a) Purchase of goods and services	2025	2024
	KShs'000	KShs'000
<b>Group</b>		
African Oxygen Limited	30,455	42,841
Cryostar SAS France	2,206	5,993
BOC Northern Technical (UK)	-	338
<b>Total</b>	<b>32,661</b>	<b>49,172</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 30 Related party transactions (continued)

#### (b) Sales to subsidiaries

There were no sales to related parties in the year (2024: nil)

#### (c) Outstanding balances included in receivables

	Group		Company	
	2025 KShs'000	2024 KShs'000	2025 KShs'000	2024 KShs'000
Due to BOC Kenya Plc:				
African Oxygen Limited	15,512	15,512	15,512	15,512
BOC Tanzania Limited	-	-	18,992	18,992
	15,512	15,512	34,504	34,504
Allowance for impairment			(18,992)	(18,992)
<b>Net of impairment</b>	<b>15,512</b>	<b>15,512</b>	<b>15,512</b>	<b>15,512</b>

#### (d) Outstanding balances included in payables

	Group		Company	
	2025 KShs'000	2024 KShs'000	2025 KShs'000	2024 KShs'000
BOC Uganda Limited	-	-	21,894	21,894
African Oxygen Limited	10,544	8,568	10,544	8,568
Cryostar SAS	-	537	-	537
<b>Total</b>	<b>10,544</b>	<b>9,105</b>	<b>32,438</b>	<b>30,999</b>

#### (e) Key management compensation

Group and Company	2025 KShs'000	2024 KShs'000
Salaries and short-term benefits	54,192	36,877

#### (f) Directors' remuneration

	Group and Company	
	2025 KShs'000	2024 KShs'000
Fees	8,920	6,210
Salaries and short-term benefits	20,001	17,297
<b>Total</b>	<b>28,921</b>	<b>23,507</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

### 30 Related party transactions (continued)

	Company	
	2025 KShs'000	2024 KShs'000
(g) Dividends paid		
<b>Group and Company</b>		
BOC Holdings (UK)	110,422	109,146

### 31 Events after period end

There have been no events after reporting date that require adjustment to or disclosure in these financial statements.

## BOC KENYA PLC

### PROXY FORM FOR THE 2026 ANNUAL GENERAL MEETING

I/We \_\_\_\_\_

of P.O. Box \_\_\_\_\_

Share Account No. \_\_\_\_\_ being a Shareholder/Shareholders of the above-named Company hereby appoint:

Proxy Name: \_\_\_\_\_

Proxy P O Box \_\_\_\_\_

Proxy Mobile No. \_\_\_\_\_

Proxy Email address: \_\_\_\_\_

and failing him/her the Chairman of the meeting as my/our proxy to vote for me/us and on my/our behalf at the **Annual General Meeting** of the Company to be held Virtually on **Thursday 25 June 2026 at 11:00am** or at any adjournment thereof.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2026.

Signature(s)/Seal: \_\_\_\_\_

Unless otherwise instructed, the proxy will vote as he/she thinks fit.

#### NOTES:

1. Any Member who is entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his behalf. Such proxy need not be a member of the Company.
2. A proxy form is provided with this report. The proxy form can also be obtained from the Company's website ([www.boc.co.ke](http://www.boc.co.ke)).  
Shareholders who do not propose to be at the Annual General Meeting and intend to appoint a proxy are requested to do the following:
  - Complete the form provided and attach a copy of your National ID and a copy of the National ID of the proxy appointed.
  - Return the form (plus copies of the National ID's) to the Company's Registrar, Custody & Registrars, IKM Place, Fifth Ngong Avenue, Nairobi, P.O. Box 8484-00100, Nairobi or alternatively to the Registered Office of the Company so as to arrive not later than **2:30 p.m. on 22 June 2026**.

Duly signed proxy forms together with ID copies may also be emailed to [proxy@candrgroup.co.ke](mailto:proxy@candrgroup.co.ke) in PDF format.

3. In accordance with the Company's Articles of Association, a copy of the entire Annual Report and Financial Statements may be viewed and or downloaded from the Company's website ([www.boc.co.ke](http://www.boc.co.ke)).





## **BOC Kenya Plc**

Kitui Road, off Kampala Road  
P O Box 18010  
00500 Industrial Area  
Nairobi, Kenya  
Safaricom + 254 719 069000  
Email: [boceastafrica@boc.com](mailto:boceastafrica@boc.com)  
[www.boc.co.ke](http://www.boc.co.ke)