



# GRI Sustainability Report

# 2024

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# Organizational Profile and Reporting Context

## Organizational Profile

BOC Kenya PLC stands as a leader in integrating sustainability into every facet of its operations and practices. This commitment is not just a line item on the agenda; it permeates the ethos and is evident in our contributions to health, economic growth, responsible production, and ethical governance, all of which align closely with the Sustainable Development Goals (SDGs), the United Nations Global Compact principles and the IFRS S1 and S2 standards.

## Products and Services

BOC Kenya PLC specializes in industrial and medical gases that play a crucial role across various sectors, including healthcare, manufacturing, and food processing. Their offerings are engineered to enhance efficiency while also minimizing the environmental footprint. By providing high-quality gases essential for medical treatments and manufacturing processes, BOC Kenya not only supports vital industries but also promotes innovation and sustainability in production practices.

## Reporting Context

### Reporting period

This report encompasses the period from January to December 2024, providing a comprehensive overview of the company's key achievements and trends observed throughout the year.

### Reporting frequency

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

### Contact point for questions regarding the report

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

### Statement of reporting in reference with the GRI Standards

This Sustainability report is in reference to the Global Reporting Initiative (GRI) Standards. This framework allows us to effectively communicate our environmental, social, and governance (ESG) performance, ensuring that our stakeholders have access to relevant and comprehensive information.

# Strategy and Materiality

## Strategy

The company has adopted a comprehensive Sustainability strategy grounded in internationally recognized frameworks, utilizing the GRI Standards, the UN Global Compact, and the nine of the Sustainable Development Goals (SDGs). By aligning its operations with GRI Standards, the company ensures transparency and accountability in its sustainability reporting, facilitating informed decision-making for stakeholders. The commitment to the UN Global Compact underscores the company's dedication to ethical business practices, encompassing human rights, labour standards, environmental protection, and anti-corruption measures. Furthermore, by focusing on our nine SDGs, the company aims to address critical global challenges, including health and well being, inequality, climate change, and sustainable economic growth.

This multifaceted approach not only enhances the company's reputation but also fosters long-term value creation while contributing positively to society and the environment.



## Products and Services

BOC Kenya PLC specializes in industrial and medical gases that play a crucial role across various sectors, including healthcare, manufacturing, and food processing. Our offerings are engineered to enhance efficiency while also minimizing our environmental footprint. By providing high-quality gases essential for medical treatments and manufacturing processes, BOC Kenya not only supports vital industries but also promotes innovation and Sustainability in production practices.

## Policies and Procedures

The company has established a comprehensive Sustainability policy that adhere to stringent environmental regulations and industry standards. The policy outlines our commitment to promoting sustainable practices throughout the supply chain.

## Strategies

Sustainability is interwoven into BOC Kenya's corporate strategy, focusing on key areas such as supporting good health, reducing resource wastage, boosting energy efficiency, and advocating for renewable resource utilization.

## Contribution to the SDGs

BOC Kenya PLC stands out as a leader in integrating Sustainability into every facet of its operations and practices. This commitment is not just a line item on their agenda; it permeates our ethos and is evident in our contributions to health, economic growth, responsible production, and ethical governance, all of which align closely with the SDGs.

### Good Health and Well-being



BOC Kenya's dedication to SDG 3 is exemplified through its provision of medical gases and support services vital for healthcare facilities and emergency medical situations. These products are instrumental in improving health outcomes, ensuring that hospitals and clinics can deliver essential care to communities, thereby enhancing the overall well-being of the population.



## Gender Equality

BOC Kenya PLC is actively contributing to Gender Equality by fostering a diverse and inclusive workplace. The company is committed to providing equal opportunities for all employees, regardless of gender, and has implemented policies to support the advancement of women in the workplace. This includes promoting women's leadership through targeted development programs and ensuring equal pay for equal work. BOC Kenya also recognizes the importance of work-life balance and offers flexible working arrangements to support employees with family responsibilities. Through these initiatives, BOC Kenya is striving to create a workplace where employees feel valued, respected, and empowered to reach their full potential.



## Responsible Consumption and Production

The business is focused on implementing responsible production practices designed to minimize waste and optimize resource efficiency. Through our Sustainability initiatives, we strive to mitigate the environmental impacts associated with our operations and reinforcing the importance of sustainable consumption among our clients, thus contributing significantly to the advancement of responsible production.



## Peace, Justice, and Strong Institutions

In the realm of governance, BOC Kenya operates with an unwavering commitment to ethical standards and transparent practices. Their adherence to strong governance principles fosters trust and accountability within the organization and with stakeholders, thereby contributing to peace, justice, and the establishment of robust institutions.

## Oxygen and Beyond: BOC Kenya's Role in Healthcare Delivery

BOC Kenya PLC has been an integral part of Kenya's healthcare landscape for over 85 years. Established in Mombasa in 1940, the company has grown to become a leading provider of medical gases and related services, playing a crucial role in ensuring the well-being of countless Kenyans. BOC continues to innovate and partner with healthcare providers to deliver life-saving solutions and improve patient outcomes.

### Vital Products, Vital Impact

BOC Kenya's medical gas portfolio includes a range of essential products that are critical for various aspects of healthcare:

- **Oxygen:** The most vital medical gas, used for resuscitation, respiratory support, and surgery. BOC Kenya ensures a reliable supply of oxygen to hospitals and clinics, even in emergencies.
- **Nitrous Oxide:** A widely used anaesthetic agent, providing pain relief and sedation during surgical procedures.

- **Medical Air:** Used for ventilation and respiratory therapy, ensuring patients receive the necessary oxygen levels.
- **Carbon Dioxide:** Used in minimal invasive surgery and for diagnostic purposes.
- **Other Medical Gases:** BOC Kenya also supplies a range of other medical gases, including helium, nitrogen, and specialty gas mixtures, catering to specific medical needs.



## Growing the Healthcare Space

BOC Kenya is committed to not only supplying essential medical gases but also to actively contributing to the growth and development of the Kenyan healthcare space. The company achieves this through:

- **Investing in Infrastructure:** BOC Kenya continuously invests in state-of-the-art production facilities, storage tanks, and distribution networks to ensure a reliable supply of medical gases across the country.
- **Partnering with Healthcare Providers:** The company collaborates with hospitals, clinics, and other healthcare providers to understand their needs and develop tailored solutions.
- **Supporting Training and Education:** BOC Kenya provides training and education programs to healthcare professionals on the safe and effective use of medical gases.
- **Promoting Innovation:** The company invests in research and development to introduce new and innovative medical gas solutions to the Kenyan market.
- **Advocating for Policy Change:** BOC Kenya actively engages with policymakers through its membership at Kenya Healthcare Federation (KHF) and the Kenya Association of Manufacturers (KAM) to advocate for policies that support the growth and development of the healthcare sector.

By combining its long-standing expertise with a commitment to innovation and partnership, BOC Kenya PLC is playing a crucial role in strengthening Kenya's healthcare system and improving the well-being of its citizens.

## Commitment to Safety



Safety remains a paramount value for BOC Kenya PLC, driving us to implement comprehensive safety protocols designed to protect employees, customers, and the environment. Our proactive approach includes rigorous safety training, regular risk assessments, and strict compliance with health and safety regulations.

In the previous year we made payments of KES to ensure that our employees have access to quality healthcare at their convenience.

### Protecting our people within the business

At BOC, the safety and well-being of our employees is paramount. We prioritize their health by providing monthly updates from our medical insurance provider, ensuring that everyone is well-informed about their coverage and available services. To further support our staff, we conduct annual medical check-ups for all employees, fostering a proactive approach to health management. Our cafeteria plays a crucial role in promoting wellness by preparing healthy and nutritious meals, catering to the dietary needs and preferences of our workforce.

Additionally, we observe Mental Health Awareness Month every October, highlighting the importance of mental well-being. We also contribute to the Social Health Authority (SHA) in Kenya, reinforcing our commitment to the overall welfare of our employees throughout the year.

## Protecting Our Communities on the Road



To promote road safety while transporting our goods, we adhere to stringent vehicle standards that ensure all vehicles are fit for purpose and regularly maintained. Our on-board computers play a crucial role in monitoring vehicle performance and driver behaviour, providing real-time data that helps identify any potential issues before they escalate.

Comprehensive operating manuals guide our drivers in best practices and safety protocols. We conduct thorough assessments of our transporters and drivers to ensure they meet our high standards, complemented by effective route management that optimizes travel paths and reduces risks.

Additionally, we invest in driver awareness and training programs, equipping our team with the necessary knowledge and skills to navigate the roads safely and responsibly. Through these measures, we strive to create a safer transportation environment for everyone.

## Contribution to the United Nations Global Compact

As a signatory to the UN Global Compact, BOC Kenya PLC is committed to the United Nations Global Compact, which aligns our operations with universal principles in the areas of human rights, labour, environment, and anti-corruption. This commitment reflects our dedication to promoting sustainability and ethical business practices across our organization. For more information, our Communication of Progress provides a detailed overview of our efforts and achievements in this regard.

Additionally, this Sustainability report serves as a comprehensive resource, highlighting our ongoing advancements and initiatives aimed at enhancing our Sustainability practices. Together, these documents underscore our commitment to transparency and accountability as we strive to make a positive impact.

## Statement from management

### Board Chairman's Note

As Chairman of BOC Kenya PLC, I am pleased to present our Sustainability Report for the year ended December 31, 2024. This report reflects our unwavering commitment to sustainable development and our contribution to a healthier, more prosperous society.

At BOC Kenya, we recognize the critical role we play in supporting the health and well-being of our communities. Our products and services are essential for numerous industries, including healthcare, manufacturing, and agriculture. We are particularly proud of our contribution to **SDG 3 on Good Health and Well-being**.

*Our medical gases, including oxygen, nitrous oxide, and medical air, are vital for patient care in hospitals and clinics across Kenya.*

We have invested significantly in ensuring a reliable supply of these essential products, even in the face of challenging circumstances. We are proud to partner with healthcare providers to deliver the best possible care to patients.

Beyond healthcare, our industrial gases support a wide range of industries that contribute to economic growth and social development. We are committed to providing safe and reliable products that meet the highest quality standards. Our focus on safety extends beyond our products to our operations and our employees. We have implemented robust safety protocols and training programs to ensure the well-being of our workforce and the communities in which we operate.

We believe that partnerships are essential for achieving our sustainability goals. We actively collaborate with a range of stakeholders, including government agencies, NGOs, and community organizations, to address critical health and safety challenges. Our partnerships enable us to leverage our expertise and resources to make a positive impact on the lives of others.

This report highlights our progress in delivering on our sustainability commitments. We are proud of our achievements, but we also recognize that there is always more to do. We will continue to innovate and collaborate to ensure that BOC Kenya remains a leader in sustainable development and a trusted partner in building a healthier and more prosperous future for all.

Eckhardt Vorster  
**Chairman, BOC Kenya PLC**

## Managing Director's Note

I am pleased to present BOC Kenya PLC's Sustainability Report for the year ended December 31, 2024. This report reflects our ongoing commitment to sustainable development and transparent reporting, guided by the principles of the UN Sustainable Development Goals (SDGs), the Global Reporting Initiative (GRI) Standards, and the UN Global Compact.

This year, we are proud to announce our compliance with IFRS S1 and S2 for the first time. This demonstrates our commitment to providing investors and stakeholders with comprehensive and reliable information on our climate-related risks and opportunities. As a listed company on the Nairobi Securities Exchange (NSE), we also continue to uphold the highest standards of corporate governance and comply with all relevant regulations from the Capital Markets Authority (CMA).

At BOC Kenya PLC, we believe that sustainability is integral to our long-term success.

*We are dedicated to integrating sustainable practices into all aspects of our business, from minimizing our environmental footprint to fostering a positive social impact in the communities where we operate.*

This report highlights our progress and achievements in key areas such as reducing greenhouse gas emissions, promoting stakeholder safety, and engaging with our stakeholders. We recognize that sustainability is a journey of continuous improvement, and we are committed to further enhancing our performance in the years to come.

We are confident that our commitment to sustainability will create value for our shareholders, employees, customers, and the wider community. We look forward to your continued support as we work towards a more sustainable future.

Sincerely,

Joseph Ramashala  
**Managing Director, BOC Kenya PLC**

## Sustainability Lead's Note

It is with immense pride that I reflect on the remarkable achievements of our Sustainability Champions and indeed all staff during the past year. Despite facing numerous challenges, their dedication and commitment to driving positive change within and without BOC Kenya PLC has been truly inspiring.

Our Sustainability Champions have played a pivotal role in embedding sustainability across our operations, from promoting responsible resource management to fostering a culture of safety and well-being. Their efforts have not only enhanced our environmental and social performance but have also strengthened our relationships with stakeholders and contributed to our overall business success.

## Environmental Performance

- Implemented a comprehensive waste management program, resulting in 99.5% of our waste diverted from a landfill. (SDG 12)
- Reduced our carbon footprint by having no greenhouse gas emissions in the year through air quality assessments and routine maintenance of our trucks and equipment.
- Total energy consumed amounted to 8,410,376 kWh, reflecting a notable reduction compared to the previous year's consumption of 8,794,464 kWh in 2024 due to significant efficiencies achieved in production processes.
- In the past year, water consumption has risen significantly, reaching a total of 6,793.84 cubic meters, which marks an increase from 5,532 cubic meters recorded the previous year.
- In the past year, the total amount of drums and cylinders collected for reuse was 4,805 kilograms, a significant decrease from the previous year's collection of 11,139 kilograms.

## Social Performance

Enhanced employee engagement through the launch of a new employee well-being program, resulting in a [A%] increase in employee satisfaction.

Strengthened our commitment to diversity and inclusion by implementing a new diversity training program and increasing the representation of women in leadership positions by [B%].

Invested in community development projects, focusing on education, healthcare, and economic empowerment, benefiting [C] individuals.

Partnered with local suppliers to promote sustainable sourcing practices and support local economic development.

The achievements highlighted above are a testament to the hard work and dedication of our Sustainability Champions. Their passion for creating a more sustainable future is truly commendable. As we move forward, I am confident that their continued efforts will drive further progress and contribute to BOC Kenya PLC's long-term success.

Catherine Kamau  
**Human Resource Manager, BOC Kenya PLC**

## Key impacts, risks, and opportunities

### Materiality

#### Process for defining material topics

To identify the material topics in Sustainability, a comprehensive approach was taken involving active stakeholder engagement. A Form was disseminated to gather insights from various stakeholders, allowing them to rank the sustainability topics they deemed most significant. This collaborative process ensured that diverse perspectives were considered, reflecting the priorities and concerns of those directly impacted by sustainability issues. By analyzing the rankings submitted through the form, a clearer understanding emerged of which topics resonate most strongly within the community. This stakeholder-driven methodology not only enhances the relevance of the selected sustainability topics but also fosters a sense of ownership and accountability among participants, ultimately leading to more effective and targeted sustainability initiatives.

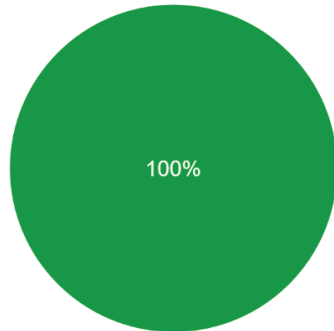
#### List of material topics

Material topics encompass a variety of significant themes that warrant thorough consideration by the business. Each topic holds considerable importance, contributing to a deeper understanding of the broader context in which they exist. Addressing these material topics is crucial for organizations seeking to align their goals with the expectations of stakeholders and the wider community.

By engaging with these topics, entities can foster meaningful dialogue, encourage collaborative efforts, and ultimately drive positive change, enhancing their impact and relevance in an ever-evolving landscape.

Below is the stakeholder's response on Sustainability topics. While the list of sustainability initiatives is general in nature, we recognize that not all of our stakeholders are fully conversant with the complexities and nuances of Sustainability practices. This awareness prompts us to consider the diverse backgrounds and levels of familiarity that our stakeholders bring to the conversation. We aim to bridge this knowledge gap by providing clear, accessible and easy to comprehend information that demystifies Sustainability and its importance in our operations. By fostering an inclusive dialogue, we can engage all stakeholders, ensuring they understand both the significance of our Sustainability efforts and how they can contribute to these initiatives. Ultimately, our goal is to create a collaborative environment where everyone feels empowered to participate in our sustainability journey.

2. What aspects of BOC's Sustainability Strategy are most important to you? (Select all that apply)



- Social responsibility (e.g., fair labor practices, community development)
- Economic responsibility (e.g., responsible resource use, long-term value)
- Environmental impact (e.g., reducing emissions, waste)
- All the above
- None of the above

Our stakeholders recognize the importance of a balanced approach to Sustainability, emphasizing that we must focus equally on economic, social, and environmental aspects. This comprehensive perspective is essential for fostering long-term viability and success. By addressing economic sustainability, we ensure that our operations remain financially viable, generating profits that can be reinvested into community initiatives and environmental projects. Social sustainability involves fostering strong relationships with the communities we serve, ensuring that our practices promote equity and well-being for all stakeholders. Lastly, environmental sustainability is critical to preserving our planet for future generations, as we actively work to minimize our ecological footprint. Together, these pillars create a holistic framework that not only meets the needs of today but also safeguards resources and opportunities for tomorrow. By integrating these three dimensions, we can develop strategies that truly resonate with our stakeholders, demonstrating our commitment to a sustainable future.

Further to this, we as the business have broken down these topics to encompass:

- Economic value generated and distributed
- Energy
- Water
- Emissions (e.g., greenhouse gas emissions)
- Biodiversity
- Waste
- Environmental compliance
- Anti-Corruption
- Employment
- Occupational health and safety
- Training and education
- Diversity and equal opportunity
- Human rights
- Local communities
- Customer health and safety
- Marketing and labelling
- Customer privacy
- Procurement practice












**Why These Issues Matter: Connecting to Our Impact**

Our material topics are of paramount importance because they are fundamentally driven by the interests and concerns of our stakeholders. These topics reflect the priorities of those who interact with our organization, ensuring that we remain responsive to their needs and expectations. Furthermore, they are intricately tied to our business operations, allowing us to align our strategies with the core functions of our organization. By focusing on these material topics, we can maximize our impact, not only within our industry but also in the communities we serve. This strategic alignment fosters sustainable growth and enhances our overall value proposition, reinforcing our commitment to responsible and effective business practices.

# Stakeholder Engagement

Stakeholder engagement is a critical aspect of our company's operations and overall strategy, as it fosters strong relationships and enhances collaboration with those who have a vested interest in our success. However, during the year under review, we fell short in our efforts to adequately engage with our stakeholders. We recognize that effective communication and collaboration with stakeholders are vital for driving innovation, improving decision-making, and enhancing our corporate reputation. Moving forward, we are committed to prioritizing stakeholder engagement, ensuring that we not only meet but exceed their expectations.

## List of stakeholder groups

 Our employees and their families	 Our regulators (including Industry Associations)	 Shareholders
 Our Competitors	 Our Community	 Our Partner Suppliers
 Our Environment	 Board members	 Our Customers
 Media	 The General public	

The company has diligently identified a diverse array of stakeholders that play a crucial role in its operations and overall success. Among these stakeholders are employees, who are essential for driving productivity and fostering innovation within the organization.

Customers are also a significant group, as their needs and preferences directly influence product development and service offerings. Additionally, suppliers contribute to the supply chain, ensuring that the company has access to the necessary materials and resources. Investors are vital as well, providing the financial backing that allows the company to grow and expand. Lastly, the community and regulatory bodies play important roles, as their support and compliance help ensure a positive reputation and adherence to legal standards. By recognizing and engaging with these stakeholders, the company aims to create a harmonious environment that benefits all parties involved, ultimately leading to sustainable growth and mutual success.

## Approach to stakeholder engagement

We took a proactive approach by sharing a comprehensive feedback form with stakeholders designed to gather insights and opinions on our current practices and future goals related to sustainability. By engaging stakeholders, we aimed to create an inclusive platform for discussion, ensuring that diverse perspectives were considered in our decision-making process. The feedback collected will be instrumental in identifying areas for improvement and innovation. We believe that collaboration is essential for fostering a sustainable future, and the input from our stakeholders will guide us in making informed choices that align with our commitment to environmental stewardship.

## Key concerns raised by stakeholders

Understanding and responding to the concerns of our stakeholders is fundamental to BOC Kenya PLC's commitment to responsible business practices. Through ongoing dialogue and engagement, we strive to identify and address the key issues that matter most to those who are impacted by our operations. This section outlines the principal concerns raised by our diverse stakeholder groups during the reporting period, providing insights into their perspectives and informing our strategic approach to sustainability.

- I believe there is a social responsibility demonstrated by BOC in terms of how they uphold high standards in their operations.
- I'd like to see a clear link between sustainability and business goals and performance.
- The social responsibility that BOC has demonstrated has a long way to go in terms of being able to enforce the use of their cylinders used in the illegal recycling. The risk to quality healthcare through the use of BOC branded cylinders in the market continues to erode their brand.

Stakeholders have expressed significant concerns regarding our current approach to Sustainability, highlighting an urgent need for action on our strategic initiatives. They emphasize the importance of not only implementing effective sustainability measures but also improving our communication regarding these efforts. To address these concerns, we will enhance our strategies to better align with stakeholder expectations and to ensure that our sustainability efforts are effectively communicated. By doing so, we can foster stronger relationships and demonstrate our commitment to sustainable practices.

## Governance

### Governance structure

Our governance structure is designed to effectively integrate Sustainability into every aspect of our operations, reflecting our commitment to responsible practices and long-term Sustainability. At the helm of this initiative is a dedicated Sustainability champion at the board level, ensuring that Sustainability considerations are embedded in strategic decision-making. Supporting this effort is our Managing Director, who plays a pivotal role in championing Sustainability across the organization. Furthermore, we have appointed Sustainability champions from each department, creating a network of advocates who are responsible for promoting sustainable practices within their respective areas.

This robust framework not only facilitates collaboration but also fosters a culture of accountability and innovation, ensuring that Sustainability remains a core focus as we navigate the complexities of the modern business landscape. Through this governance approach, we aim to drive meaningful change and achieve our sustainability goals while aligning with broader societal expectations and regulatory frameworks. By empowering individuals across all levels of the organization, we are well-positioned to make informed decisions that contribute to a more sustainable future for our company and the communities we serve.

## Roles and responsibilities of the Board

The board plays a crucial role in guiding and overseeing the company's Sustainability initiatives and more specifically:

- Ensuring that Environmental, Social, and Governance (ESG) factors are integrated into the organization's strategy.
- Setting clear Sustainability goals and establishing accountability to foster a culture of responsibility throughout the organization.
- Understanding the risks and opportunities associated with Sustainability, as these can significantly impact long-term business viability and stakeholder trust.
- Participating through active engagement, regular assessments, and transparent reporting, to effectively steer the company towards sustainable practices, driving innovation and enhancing overall corporate reputation.

## Ethical conduct and integrity



At BOC, integrity transcends being merely a core value; it is the foundation upon which our entire organization is built. It establishes a framework for acceptable behavior, guiding BOC in our decision-making processes and interactions with stakeholders, including employees, customers, suppliers, and the community. Upholding strong ethical standards fosters trust and credibility, which are essential for building lasting relationships and a positive reputation.

Every member of our team is encouraged to uphold these principles, ensuring that honesty and transparency are at the forefront of our interactions. Upholding integrity ensures we make a positive, lasting difference in our community and industry, solidifying our position as a respected leader.

## Management Approach

BOC Kenya PLC demonstrates a robust and multifaceted approach to Sustainability and ESG management that is deeply ingrained in our corporate ethos. Our Sustainability engagement and reporting is not just a regulatory requirement but a thoughtful articulation of activities and risks that resonate with both their business objectives and the interests of their stakeholders. Further, we are guided by the below:

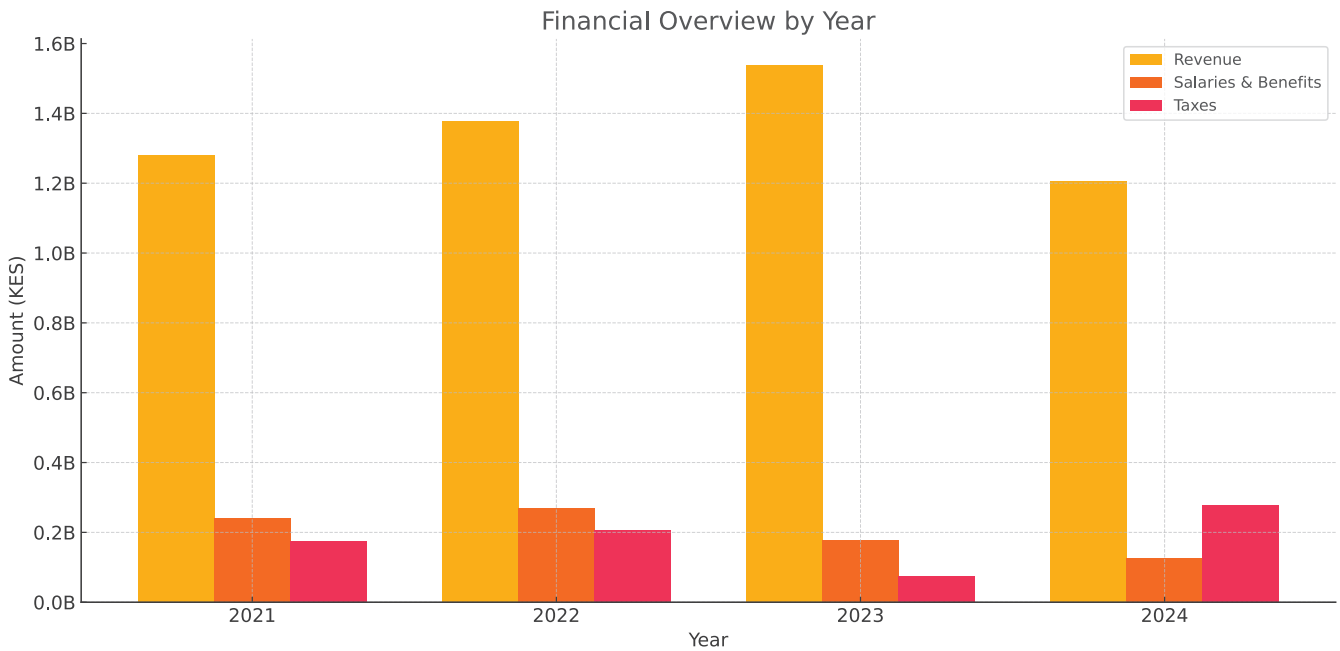
- **Global Compact Participation:** By becoming a signatory to the United Nations Global Compact, BOC Kenya aligns itself with internationally recognized standards for responsible business practices, reinforcing our commitment to ethical behaviour and sustainable development. Additionally, peer to peer engagement allows us to draw lessons from like minded institutions.
- **Environmental Footprint Management:** Central to our strategy is the commitment to minimizing our environmental impact through innovative solutions and practices, with special interest in effective resource management.
- **Social Responsibility:** Understanding the impact of our operations on local communities, BOC Kenya prioritizes social responsibility, ensuring that our business activities contribute positively and sustainably to the communities they serve, thereby enhancing their social license to operate.
- **Stakeholder Engagement:** The company places great value on engaging with stakeholders, including customers, employees, suppliers, and the communities in which they operate. This engagement helps them to better understand the diverse interests and concerns related to sustainability and ESG, enabling them to adapt and enhance their strategies accordingly.
- **Employee engagement:** We empower our workforce to actively contribute to our Sustainability goals. By fostering a culture of participation, we ensure that Sustainability is integrated into daily operations, rather than being a separate initiative. We achieve this through various programs that promote understanding, gather input, and recognize contributions, enabling employees to become champions of sustainable practices within BOC Kenya PLC.
- **Policies:** The foundational framework for our Sustainability management approach at BOC Kenya PLC. They provide clear guidelines and expectations for our operations, ensuring consistency and accountability in our pursuit of sustainable practices. By establishing robust policies on all facets of Sustainability, we embed sustainability into our decision-making processes and daily activities. These policies are regularly reviewed and updated to reflect evolving best practices and stakeholder expectations, ensuring that our commitment to Sustainability remains strong and relevant.

## Economic Performance

### Economic value generated and distributed

Our organization recognizes and appreciates the significant economic value generated by both its operations and its dedicated workforce. This value extends beyond the company itself, benefiting a diverse array of stakeholders, including investors who contribute capital, regulatory bodies that ensure compliance, and employees who receive competitive compensation packages.

Additionally, the wealth generated supports our extensive network of suppliers, fostering mutually beneficial relationships that enhance overall economic activity. The distribution of these benefits is carefully structured, ensuring that all parties involved reap the rewards of our collective success. This approach not only strengthens our organization but also contributes positively to the broader community



## Tax

BOC has consistently demonstrated its commitment to fulfilling tax obligations in a timely manner. By adhering to deadlines and ensuring that all necessary payments are made, BOC plays a crucial role in maintaining the integrity of the financial system. This proactive approach not only reflects the institution's accountability but also contributes to a stable economic environment. Timely tax payments are essential for the government, as they ensure the necessary funds are available for public services and infrastructure. BOC's diligent efforts in this regard underscore its responsibility as a financial institution and its dedication to supporting the broader economy.

### Tax governance, control, and risk management

Tax filing is conducted in strict compliance with legal requirements, ensuring that all submissions are made both timely and accurately. This diligence not only upholds the integrity of the organization but also aligns with the mandates set forth by tax authorities. Furthermore, all payments of taxes due are executed in accordance with applicable tax laws, reflecting a commitment to financial responsibility and accountability. In addition to adhering to these regulations, robust control mechanisms and processes have been established as a proactive risk management measure.

These controls serve to mitigate potential risks associated with tax compliance, safeguarding the organization's interests and ensuring long-term sustainability.

### Stakeholder engagement and management of concerns related to tax

Continuous engagement with stakeholders is a fundamental aspect of effective tax management, ensuring that concerns and issues are addressed promptly and comprehensively. This ongoing dialogue fosters transparency and builds trust, allowing for a better understanding of the complex tax landscape. By actively involving stakeholders in discussions surrounding tax matters, our organization can identify potential challenges early on and collaboratively develop solutions. This proactive approach not only mitigates risks but also enhances compliance and strategic decision-making. Ultimately, maintaining these open lines of communication with our stakeholders and management regarding tax-related concerns is essential for navigating the dynamic regulatory environment and achieving long-term financial stability.

## Market Presence

### Ratios of standard entry level wage by gender compared to local minimum wage

The analysis of standard entry-level wages by gender reveals significant insights, particularly when compared to the local minimum wage. For BOC Kenya PLC, employees earn above the minimum wage, a result of the existence of a Collective Bargaining Agreement (CBA) that ensures fair compensation. This agreement not only promotes equitable pay across different genders but also helps to establish a baseline that is often higher than the statutory minimum. Consequently, employees can benefit from better wages and improved working conditions. The presence of a CBA plays a crucial role in elevating standard entry-level wages, fostering an environment where both gender equity and fair labour practices are prioritized.

### Proportion of senior management hired from the local community

The composition of senior management within our organization reflects a commitment to community engagement and diversity. A significant proportion of our senior management team has been hired from the local community, demonstrating our dedication to fostering local talent and ensuring that our leadership is representative of the area's demographics and cultural nuances. This local representation not only enriches our organizational culture but also strengthens our connection to the community we serve. At the same time, our senior employees hail from various regions across the country, bringing a wealth of diverse experiences and perspectives.

### Indirect economic impacts

In the past year, the indirect economic impacts have been significant, particularly through the training initiatives aimed at both informal and formal sector welders. By enhancing the skills of welders across the board, the program has not only improved individual livelihoods but also contributed to the overall quality of work in the industry. Additionally, affordable pricing strategies implemented through a robust network of 23 distributors have made essential materials more accessible to the informal sector. The establishment of branches in key cities like Mombasa and Kisumu has further strengthened this network, ensuring that end customers receive timely and efficient service, ultimately fostering economic growth in these regions.



## Environmental Performance



### Energy

In the year under review, the total energy consumed amounted to **8,410,376 kWh**, reflecting a notable reduction compared to the previous year's consumption of **8,794,464 kWh** in 2024. This decline of **384,088kWh** in energy usage can be attributed to significant efficiencies achieved in production processes. By implementing advanced technologies and optimizing resource management, the organization has successfully minimized energy waste and enhanced overall productivity. These efforts not only contribute to cost savings but also align with broader sustainability goals aimed at reducing the environmental impact associated with energy consumption.

### Water

In the past year, water consumption has risen significantly, reaching a total of **6,793.84 cubic meters**, which marks an increase from **5,532 cubic meters** recorded the previous year. This increase can be attributed to a variety of factors, primarily the escalation in activities that demanded higher water usage. As our operations expanded and the scale of our activities grew, the need for water surged correspondingly. Despite the significant increase in water consumption, we have effectively managed our resources to accommodate this rise.

### Materials

#### Reclaimed products and their packaging materials

In the past year, the total amount of drums and cylinders collected for reuse was 4,805 kilograms, a significant decrease from the previous year's collection of 11,139 kilograms. This decline can be primarily attributed to a reduction in the number of DA (Dissolved Acetylene) drums collected, which correlates directly with a decrease in production levels. As production slowed down, fewer DA drums were generated as by-products, leading to a notable drop in the overall weight of drums and cylinders available for reuse.

In the past year, our commitment to Sustainability has resulted in zero greenhouse gas emissions, a significant achievement that underscores our focus on environmental responsibility.

We conducted thorough air quality assessments within the factory, and we are pleased to report that all measured gases remained within the recommended limits, demonstrating our dedication to maintaining a safe and healthy work environment.

To further minimize our environmental impact, we have implemented routine maintenance procedures for our trucks and machinery, ensuring they operate efficiently and produce minimal emissions. Moreover, we prioritize the timely collection and disposal of oils, further mitigating potential pollution.

### Biodiversity

Our business maintains a strong commitment to environmental stewardship, ensuring that our operational sites are strategically located to minimize ecological impact. We have taken significant measures to ensure that there are no operational sites owned, leased, or managed by us in, or adjacent to, protected areas, as well as areas recognized for their high biodiversity value outside of these protected zones.

This deliberate approach reflects our recognition of the importance of preserving natural habitats and ecosystems. By avoiding proximity to such sensitive areas, we aim to contribute positively to conservation efforts and foster sustainable practices that protect biodiversity for future generations.

The activities, products, and services associated with our operations demonstrate a commendable commitment to biodiversity preservation. Notably, there are no significant impacts resulting from these endeavours, reflecting a conscientious approach to environmental stewardship.

Currently, the business has not engaged in any initiatives to protect or restore habitats. The business does not have any species listed on the IUCN Red List or national conservation lists within the habitats affected by its activities.

## Waste

BOC Kenya has proudly maintained a significant milestone by being awarded the Zero Waste status certificate from Linde, recognizing its outstanding accomplishment of diverting **99.5%** of its waste from landfills, surpassing the target of at least 90%. This achievement is a testament to the company's commitment to environmental sustainability and operational excellence. Linde's Zero Waste program, launched in 2011, aims to enhance sustainable productivity and effective asset management, aligning with the brand's mission to make the world more productive. BOC Kenya's dedication to the Zero Waste initiative reflects its responsibility toward a greener future and sets a benchmark for others in the

## Social Performance

### Employment

#### New employee hires and employee turnover

Over the past year, the business has experienced significant changes in its workforce dynamics. Notably, the company welcomed one new employee, who brings fresh perspectives and skills to the team. This addition is expected to contribute positively to the overall work environment and enhance productivity. However, the organization also faced challenges, as it saw the departure of four employees during the same period. Each of these exits represents not only a loss of talent and experience but also a shift in team dynamics and morale. The management is now focusing on strategies to retain existing talent while integrating the new employee effectively, aiming to foster a cohesive and motivated team.

## Parental leave

In the past year, two employees within the organization took paternity leave, highlighting the company's commitment to supporting work-life balance and family values. The company is dedicated to fostering an inclusive environment that recognizes the importance of both paternity and maternity leave.

## Benefits provided to employees

Our company is committed to fostering a supportive and equitable work environment, which is reflected in the comprehensive benefits we offer. Unlike many organizations that reserve benefits exclusively for full-time employees, we believe in extending these advantages to our temporary and part-time staff as well.

This inclusive approach not only demonstrates our appreciation for all team members, regardless of their employment status.

## Minimum notice periods

We prioritize clear communication and transparency in our operations, which is why we have established a minimum notice period of one month for any operational changes. This policy ensures that all stakeholders, including employees and partners, are adequately informed and can prepare for any adjustments that may affect their roles or responsibilities.

## Occupational health and safety



We have a robust and dynamic Occupational Health and Safety (OHS) Committee that meets regularly to address key issues and promote best practices. The commitment to Health, Safety, and Environment (HSE) is not just a policy but a fundamental part of our Linde Principles, emphasizing that line management is accountable for ensuring a safe and healthy workplace. This integration of HSE into our core values reflects our dedication to creating a culture of safety that permeates every level of the organization.

Additionally, our efforts culminated in successful recertification for ISO 45001, reinforcing our unwavering commitment to occupational health and safety standards.

## Occupational health services

BOC prioritizes the health and well-being of its employees by conducting annual medical surveillance for all staff members. This proactive approach ensures that every individual is fit for their specific roles, allowing them to perform at their best. The results of these medical assessments are communicated directly to each employee, fostering transparency and encouraging personal accountability regarding their health. In instances where follow-up actions are necessary, the company takes the initiative to ensure that support and resources are readily available. This commitment to ongoing health monitoring not only enhances workplace productivity but also contributes to a culture of care and responsibility within the organization.

## Worker participation, consultation, and communication

The company boasts a fully functional and well-trained Occupational Health and Safety committee, which plays a crucial role in promoting a safe working environment. This committee meets regularly and consists of equal representation from both Management and Union members, ensuring diverse perspectives are considered in decision-making processes.

Committee members are actively encouraged to raise any issues or concerns that may affect employees across all levels of the organization. This open dialogue fosters a culture of transparency and collaboration, allowing for the timely dissemination of relevant information throughout the business. By prioritizing communication and collective input, the company demonstrates its commitment to workplace safety and well-being.

## Worker training

All appointed members of the Occupational Health and Safety (OHS) Committee have successfully completed their training and are fully compliant with the latest requirements set forth by the Directorate of Occupational Health and Safety (DoHSS).

This rigorous training ensures that each member is equipped with the necessary knowledge and skills to effectively promote and manage health and safety standards within the organization. By staying up to date with regulatory changes and best practices, the committee demonstrates a proactive approach to workplace safety. This commitment not only enhances the overall safety culture but also fosters a healthier work environment for all employees.

## Promotion of worker health

At our organization, we strongly encourage all staff members to voice their opinions and share insights on health-related matters. We believe that fostering an open dialogue about health not only enhances individual well-being but also contributes to a supportive workplace culture. To further this initiative, our Human Resources department has taken proactive steps by arranging various educational health talks throughout the year. These sessions, led by subject matter experts, provide valuable information and insights on a range of health topics. By facilitating these discussions, we aim to empower our employees with knowledge and encourage a collective commitment to health and wellness within our community.

## Prevention and mitigation of occupational health and safety impacts

The company has conducted a comprehensive assessment known as Occupational Risk Exposure Profiles (OREPs) for all jobs and tasks across the organization. This thorough evaluation aims to identify the various potential occupational hazards and risks associated with each role. In addition to identifying these risks, the OREPs also outline the necessary mitigations that have been implemented to safeguard employees. The insights gained from these profiles play a crucial role in determining the type of annual health surveillance each individual must undergo. This proactive approach ensures that any emerging issues are detected early, allowing for timely interventions and effective follow-up measures to maintain a safe working environment.

## Work-related injuries

During the year under review, the organization achieved a remarkable safety record, with no recorded work-related injuries.

## Work-related ill health

During the year under review, the organization has maintained an impressive record regarding employee health and safety. Notably, there have been no recorded instances of work-related ill health among staff members.

## Training and education

### Average hours of training per year per employee

During the year under review, the organization has maintained an impressive record regarding employee health and safety. Notably, there have been no recorded instances of work-related ill health among staff members.

We are proud to announce that 100% of our employees participated in these reviews, underscoring our dedication to fostering a culture of continuous improvement and professional advancement.

### Programs for upgrading employee skills

Investing in employee skill development is crucial for organizational success. To enhance our team's capabilities, we have implemented several programs aimed at upgrading employee skills. One notable initiative is the Graduate Management Programme, which successfully trained one of our employees. This program not only equipped them with essential managerial skills but also fostered a deeper understanding of strategic decision-making within the organization.

## Diversity and equal opportunity



Additionally, we prioritized leadership development by training another employee specifically in leadership skills. This training has empowered them to take on more significant responsibilities and inspire their peers, ultimately contributing to a more dynamic and effective workplace culture.

### Diversity of governance bodies and employees

Currently, female leadership representation stands at 30% within both boardrooms and across employee ranks. The presence of women in leadership positions is crucial not only for fostering diversity but also for bringing different perspectives to decision-making processes. Companies that prioritize gender diversity like BOC, benefit from improved performance, innovation, and employee satisfaction.

### Performance and Career Development Reviews

At BOC, we prioritize the growth and development of our employees, ensuring that every individual receives the necessary support to thrive in their roles. This commitment is exemplified by our comprehensive performance and career development reviews, which have been implemented across the board.

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

The ratio of basic salary and remuneration for women compared to men stands at an impressive 1:1. This uniformity reflects a commitment to ensuring that women receive fair compensation for their work, equal to that of their male counterparts.

## Human rights

### Incidents of discrimination and corrective actions taken

In the reporting year, the business proudly maintained a commitment to fostering an inclusive and equitable environment, as evidenced by the absence of any incidents of discrimination. This achievement underscores our proactive approach to diversity and inclusion, which is deeply embedded in our core values. We continually strive to create a workplace culture where all individuals feel respected and valued, regardless of their background.

### Freedom of association and collective bargaining

In the past year, it was confirmed that there were no operations or suppliers where the right to freedom of association and collective bargaining was at risk. This represents a significant achievement in ensuring that all workers are afforded their fundamental rights within the workplace.

### Forced or compulsory labour

In the past year, our thorough assessments and diligent monitoring have confirmed that there were no operations or suppliers at significant risk for incidents of forced or compulsory labor. This positive outcome is a reflection of our commitment to ethical sourcing and compliance with labor standards across all levels of our supply chain. By fostering a culture of transparency and accountability, the organization has not only protected the rights of workers but also promoted a more sustainable and responsible business model. This proactive approach serves as a foundation for continued vigilance against any potential risks in the future.

### Child labour

In the year under review, it was reassuring to note that there were no operations or suppliers identified as being at significant risk for incidents of child labor. This positive outcome reflects a committed effort to uphold ethical labor practices and promote a safe working environment.

## Local Communities



### Operations with negative impacts

The evaluation of operations within the community reveals a reassuring finding: there are no activities that pose significant actual or potential negative impacts on the local population.

### Customer health and safety

During the year under review, there was no formal assessment conducted regarding the health and safety impacts of various product and service categories. However, it is noteworthy that there were no reported incidents of non-compliance related to the health and safety impacts of our products and services. This lack of incidents suggests that, despite the absence of a comprehensive assessment, the products and services offered have maintained a satisfactory level of safety and compliance with existing regulations.

### Public Policy

In the past year, the company demonstrated a clear commitment to maintaining a neutral stance in the political arena by making no political contributions. This decision reflects a strategic approach to corporate governance, emphasizing the importance of focusing on business operations and stakeholder interests without being influenced by political dynamics.

## Marketing and labelling



### Requirements for product and service information and labelling

All cylinders are branded with the BOC Gases logo, ensuring a consistent standard of quality and reliability. Each cylinder is equipped with clearly marked safety instruction labels that provide essential information for safe handling and usage.

These labels are designed to be easily readable, allowing users to quickly reference critical safety guidelines. Additionally, the cylinders feature quality assurance stickers that serve as a testament to their adherence to industry standards and regulations. Furthermore, visible seals on the cylinders offer an extra layer of security, indicating that the contents have not been tampered with and that the cylinders are in optimal condition for use. This combination of branding, safety instructions, quality stickers, and visible seals underscores the commitment to safety and quality inherent in BOC products, making them a trusted choice for customers across various applications.

### Freedom of association and collective bargaining

In the past year, it was confirmed that there were no operations or suppliers where the right to freedom of association and collective bargaining was at risk. This represents a significant achievement in ensuring that all workers are afforded their fundamental rights within the workplace.

### Incidents of non-compliance concerning product and service information and labelling

Throughout this period, there were no incidents of non-compliance, reflecting our unwavering commitment to upholding the highest standards in transparency and accountability. We meticulously ensured that all product descriptions, specifications, and labelling adhered strictly to regulatory requirements, thus fostering trust among our customers and stakeholders.

### Incidents of non-compliance concerning marketing communications

Maintaining compliance with established regulations and standards is of paramount importance to BOC. In this regard we have had no incidents of non-compliance. This highlights a commitment to ethical practices and adherence to legal requirements, which are crucial for building trust with consumers and stakeholders alike. By ensuring that all our marketing communications are effective and compliant, we can foster a positive brand image and avoid potential legal repercussions.

### Customer privacy

In the past year, we have committed to safeguarding customer privacy and data integrity.

As such there have been no substantiated complaints regarding breaches of customer privacy or losses of customer data. This achievement reflects our unwavering commitment to implementing robust security measures and protocols designed to protect sensitive information.

### Anti-corruption Operations assessed for risks related to corruption

BOC has taken a significant step towards enhancing ethical standards in business practices by introducing and adopting a comprehensive compliance guide. This guide is specifically designed for all trilateral relationships, serving as a crucial tool to assess and mitigate any risks associated with potential violations of anti-corruption laws. By establishing a clear framework, BOC aims to ensure that all parties engaged in trilateral partnerships remain vigilant against corrupt practices.

This initiative not only fosters transparency and accountability but also reinforces the commitment to uphold integrity within business transactions. Ultimately, the compliance guide is a proactive measure to cultivate a culture of ethical conduct across all levels of collaboration.

### **Communication and training about anti-corruption policies and procedures**

In an effort to promote integrity and transparency within the organization, comprehensive anti-corruption training sessions were conducted for the staff. The training aimed to equip employees with the knowledge and skills necessary to identify and combat corrupt practices in their daily operations. Through interactive workshops and informative presentations, participants are educated on the various forms of corruption, legal implications, and the importance of ethical behaviour in the workplace.

The training emphasizes the organization's zero-tolerance policy towards corruption and encourages open discussions about potential ethical dilemmas employees may face. By fostering a culture of accountability and vigilance, the training ultimately aimed to strengthen the organization's commitment to ethical standards and enhance its reputation in the industry.

### **Procurement practices**

#### **New suppliers that were screened using environmental criteria**

In the year under review, significant strides were made in enhancing our supply chain's sustainability. Specifically, five new suppliers were screened based on rigorous environmental criteria. This initiative underscores our commitment to ensuring that the partners we engage with align with our sustainability goals and adhere to best practices in environmental stewardship. BOC will prioritize a proactive approach in supplier selection processes moving forward by establishing stringent environmental criteria for supplier assessment.

#### **Negative environmental impacts in the supply chain and actions taken**

In the year under review, the organization noted that there were no negative environmental impacts within its supply chain.

#### **New suppliers that were screened using social criteria**

In the year under review, our commitment to responsible sourcing was evident as we screened five new suppliers based on stringent social criteria. This proactive approach helped us identify potential partners aligned with our values and reinforced our dedication to ethical practices within our supply chain.

During this process, we discovered an existing supplier facing a significant challenge regarding employee compensation, specifically concerning wages that fell below the minimum requirement. Recognizing the importance of fair pay, the supplier will take immediate action of negotiating a reconsideration of the monthly pay structure, ultimately facilitating an increase in total compensation for the supplier's workforce.

#### **Negative social impacts in the supply chain and actions taken**

In the past year, the company has diligently assessed its supply chain operations and is pleased to report that there have been no negative social impacts identified.

#### **Anti-competitive behaviour**

Our company operates with a strong commitment to ethical business practices, ensuring that we do not engage in any actions related to anti-competitive behaviour, antitrust violations, or monopolistic practices. We have not had any legal action brought regarding the same.

## **Sustainability Focus in 2025**

As we look ahead to 2025, BOC Kenya PLC remains steadfast in our commitment to driving sustainable development and contributing to the achievement of the Sustainable Development Goals. Building upon the progress outlined in this report, our focus will be on deepening our impact on key SDGs, particularly in areas where we can leverage our core competencies.

We will prioritize initiatives that enhance healthcare access (SDG 3), promote gender equality (SDG 5), and contribute to climate action (SDG 13). Through targeted investments, innovative partnerships, and continuous improvement, we aim to accelerate our contributions and create a more sustainable future for Kenya.

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