

25th April, 2013

COMMUNICATION ON PROGRESS REPORT: APRIL 2013

Managing Director's Statement

BOC Kenya Limited is committed to support the UN initiatives within the company's strategies, guidelines, policies, practices and behaviours which lay the basic fundamental management standards in all its operations and activities. The maxim "I am taking the lead" puts the responsibility on the individual as well as teams to ensure the overall behaviour is in line with the company vision, values and principles. Our Fundamental principles comprise safety, integrity, sustainability and respect.

The company is also committed to the promotion of responsible corporate citizenship, continuous improvement for sustainable change and growth and being part of the solution to the global challenges. The company makes a declaration in support of the UN Global initiatives in its Annual Report.

Company Status on Implementation of the UN Ten Principles

The highlight of the company's strategies and actions in regard to the implementation of the ten core principles is as indicated below:

Principles of the UN Global Compact	Company Status on implementation of the Ten Principles
A) Human rights	Vision, Values, Principles & Measurements
1) Support & respect the protection of internationally proclaimed human rights 2) Ensure non complicit in human rights abuses	<ul style="list-style-type: none">▪ Support transparency, trust and accountability through visible leadership, information sharing, empowering people, Leadsafe reporting system, non discrimination and risk management.▪ The leadership does not tolerate and strictly prohibits retaliation against anyone who reports issues or concerns in good faith.

B) Labour standards	Conditions of employment
<p>3) Uphold the freedom of association and effective recognition of the right to collective bargaining.</p> <p>4) Effective abolition of child labour</p> <p>5) Elimination of all forms of forced and compulsory labour</p> <p>6) Elimination of discrimination in respect of employment and occupation</p>	<ul style="list-style-type: none"> ▪ The company is compliant with the Kenya Labour Laws in regard to all terms and conditions of employment including non engagement of child labour, forced and compulsory labour. ▪ The company recognizes The Chemical & Allied Workers Union and negotiates freely. A collective bargaining agreement is in place. ▪ The company is a member of the Federation of Kenya Employers and keeps abreast of new developments in labour relations and adheres to any changes in law. ▪ The company upholds a non discriminatory policy in employment and occupation and adopts the principle of justice and fairness in all its operations and practices.
C)The Environment	Safety, Health, Environment & Quality (SHEQ) Management
<p>7) Support a precautionary approach to environmental challenges</p> <p>8) Undertake initiatives to promote greater environmental responsibility</p> <p>9) Encourage the development and diffusion of environmentally friendly technologies.</p>	<ul style="list-style-type: none"> ▪ Our integrated SHEQ policy addresses quality and environmental issues in addition to occupational health and safety. ▪ We promote safe behaviour through initiatives such as near-miss reporting, We Care Program, Act Safe program, SHEQ Roadmap, Leadsafe observations and visible leadership at executive and functional team level. ▪ We aim to avoid harm to people, society and the environment by providing quality products and services to our customers. ▪ Everyone is involved in and measured on their contribution to the SHEQ program. ▪ To reinforce safe behaviour, a set of seven Golden Rules were developed and implemented. ▪ Maintained ISO 9001:2008 (quality), ISO 14001:2004 (environment) and OHSAS 18001:2007 (Occupational Health and Safety) accreditation. ▪ Managers and employees work together to integrate environmental conservation strategies into all business activities and adopt best environmental practice in order to bring positive benefits to the business, community and other stakeholders. ▪ The SHEQ Road Map involves: Resource efficiency, Environmental risk management awareness, Communication, Emergency response, continuous training, Health & Occupational Hygiene.

D) Anti-Corruption	Ethics & compliance
10) Work against corruption in all its forms, including extortions and bribery	<ul style="list-style-type: none">▪ Code of Ethics Policy and training to all employees to create awareness.▪ Ethics and integrity posters list different ways available to contact the integrity line to make a report regarding any fraud or violation of our Code of Ethics▪ Integrity Line available 24/7.▪ Non retaliation Policy in place▪ Gift & Entertainment Policy cascaded to all employees.