



Communication on Progress
Year: 2010

February 15, 2010



**KENYA GRANGE
VEHICLE INDUSTRIES LTD.**

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February 15, 2010

Secretary General
United Nations
New York NY 10017
USA

Dear Secretary-General,

I am pleased to confirm that Kenya Grange Vehicle Industries Ltd supports the ten principles of the United Nations Global Compact in respect to Human Rights, Labour Rights, the Environment and Anti-corruption. With this communication, we express our intent to support and advance those principles within our sphere of influence. We commit to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company and undertake to make a clear statement-to our employees, partners, clients and to the public of this commitment.

We recognize that a key requirement for participation in the Global Compact is the annual submission of a Communication on Progress (COP) that describes our effort to implement the ten principles. We support public accountability and transparency, and therefore commit to report on progress within one year of joining the Global Compact Network, and annually thereafter according to the Global Compact COP policy.

Sincerely Yours,
K.G.V.I.

Niaz Nathoo
CHAIRMAN

Branch Office

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SCANIA

Directors: N.H. NATHOO (British), B. NURALI, N. BRIERLEY, ALEX B. DUNCANSON (British)

Company name:	KENYA GRANGE VEHICLE INDUSTRIES LTD
Sector:	AUTOMOBILES & PARTS
Number of employees:	150
UN Global Compact signatory since:	FEBRUARY 2007
Contact person:	MR. NIAZ NATHOO
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Brief description of nature of business

Kenya Grange is the sole franchise – holder of Scania range of trucks and buses in Kenya, Uganda, Rwanda and Burundi. As a heavy transport solution provider, we sell trucks and buses and also offer comprehensive after-sales service.

Scope of this COP

This communication on progress covers the last two principles, i.e. Environment and Anti-corruption. It will highlight Kenya Grange's proactive strategies to implement the two principles through involvement of employees and external publics.

Human Rights

UN Global Compact principles covered:

Principle 1: Business should support and respect the protection of internationally proclaimed human rights

Principle 2: Business should ensure that they are not complicit in human rights abuses

Current Human Rights

Commitment

A brief description of our Processes or Systems

Activities implemented in the last year

Measurement of outcomes and value added for our company

Future Human Rights

Activities planned for next year

Labour Rights

UN Global Compact principles covered:

Principle 3: Business should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4: Business should support the elimination of all forms of forced and compulsory labour

Principle 5: Business should support the effective abolition of child labour

Principle 6: Business should support the elimination of discrimination in respect of employment and occupation

Current Labour Rights

Commitment

A brief description of our Processes or Systems

Activities implemented in the last year

Measurement of outcomes and value added for our company

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Future Labour Rights

Activities planned for next year

Environment

UN Global Compact principles covered:

Principle 7: Business should support a precautionary approach to environmental challenges

Principle 8: Business should undertake initiatives to promote greater environmental responsibility

Principle 9: Business should encourage the development and diffusion of environmentally friendly technologies

Current Environment

Commitment

The company is committed to use production processes which have minimal adverse impact on the environment and strictly comply with various environmental legislations.

A brief description of our Processes or Systems

- There is an environmental policy which is understood by all staff
- We ensure that Scania blacklisted products which have harmful effects on plant and animal life are not used in our organisation.
- We have documented procedure on disposal of all forms of waste.

Activities implemented in the last year

- We have conducted Independent Environmental Audit and forwarded it to National Environmental Management Authority (NEMA).
- We have an environmental area where wastes are separated into biodegradable, recyclable and plastics.
- We have an elaborate waste oil trap which ensures that all waste oil is re-harvested.
- A safety, Health and Environmental Committee is in place.
- Purchasing department mandated not to purchase products which are harmful like asbestos brake shoes.
- We employ energy saving technology.
- Open motor vehicle workshop to allow easy escape of fumes
- Drilled a borehole to ensure adequate water supply.

Measurement of outcomes and value added for our company

- Annual medical examination does not reveal any occupational disease
- Annual inspection by Nairobi City Council Public Health Department has not noted any significant incidence.
- Volume of disposable wastes has proportionately gone down.
- Collected used oil is proportionate to total of that which was removed from vehicles undergoing service.

FutureEnvironment	<p><i>Activities planned for next year</i></p> <ul style="list-style-type: none">▪ Establish robust flower gardens.▪ Reduce wastes volumes by improving production processes.▪ Train all staff on fire hazards and how to control / eliminate them.
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Anti-corruption

UN Global Compact principles covered:

Principle 10: Business should work against corruption in all its forms, including extortion and bribery

Current Anti-corruption

Commitment

Kenya Grange will work against corruption in all its forms in course of conducting her business.

A brief description of our Processes or Systems

- We have an implicit policy where dealings with Public bodies is allowed to follow the long bureaucratic process without facilitation.
- We have a policy not to canvass for any tender to supply vehicles.
- Giving nothing to anybody who solicits for a bribe.
- Blacklist suppliers who try to compromise our staff.

Activities implemented in the last year

- Have discontinued suppliers who have attempted to compromise our staff.
- Have painstakingly followed the long bureaucratic process in securing statutory licences.

Measurement of outcomes and value added for our company

- Self audit

Future Anti-corruption

Activities planned for next year

- Develop a code of practice for Kenya Grange.
- Prepare educative posters and display them in strategic places within the premises.
- Partner with like-minded organisations.

How do you intend to make this COP available to your stakeholders?

- Placing it on our website
- Have meeting with management staff and explain it. The same should cascade to other staff through their departmental head.

Donations, awards

We support the community in various activities among them are:

- We make regular donations to Nairobi Hospice which deals with terminally ill patients with cancer.
- We donate to St John's Ambulance
- We donate to Aga Khan Foundation for charitable courses.
- AIDS infected staff are assisted through in-house workplace programme.
- We donate to survivors of natural disasters like Nakumatt & Sachangwani fire tragedy survivors.