

## BOC Kenya Corporate Social Responsibility Policy

BOC aligns its activities with the economic, social and environmental impact on all its stakeholders. The company is 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 behaves in accordance with the detail and spirit of the Universal Declaration of Human rights of the United Nations.

BOC's Corporate Social Responsibility Policy is broken down into key areas:

1. Employees and Society.
2. Environment and Safety.
3. Business and Governance.
4. Measuring Sustainability.

### 1. Employees and Society

#### 1.1 Human Resource Strategy

The Company's long-term human resources strategy is to win and nurture the best employees and build up loyalty. BOC has identified three key human resource priorities:

- Developing talent;
- A performance-oriented approach and;
- A corporate culture.

BOC's people are the company's future therefore BOC must bring people excellence to life within the company's teams. The company will attract and retain the best possible people and is committed to their personal wellbeing and development.

BOC will use its management tools from its Leadership Development and its Licence to Work programmes, to maximise the competence of all its employees. This will support them in building their careers and ensuring that they are qualified and empowered to carry out their responsibilities. The company's comprehensive training programmes supports every employee's right to a fulfilling career. BOC believes that the Linde Spirit resides within its people – a unique entrepreneurial commitment to continuous growth, a spirit that encompasses, embraces and responds to the ever-changing business environment.

BOC accepts that its employees have a right to be informed and empowered, and that all its managers have a responsibility to work collaboratively, to communicate openly and clearly to all employees, and to ensure that each of its employees understands and receives the key messages in its business activities.

#### 1.2 Labour Standards

In the company's Code of Ethics, BOC commits to the principles of the Human Rights Charter of the United Nations and to the core labour standards of the International Labour's Organization (ILO). BOC also supports the principles of the United Nations Global Compact.

As a responsible employer, BOC focuses on the following:

- Enforces occupational health and safety;
- Will not employ any persons under the age of 18 years;
- Prevents discrimination and harassment;
- Provides equal opportunities and equality;
- Ensures appropriate remuneration;
- Fully complies with guidelines on working hours;
- Enforces the right to privacy;
- Supports freedom of assembly and association.

### **1.3 Occupational Health and Safety**

BOC protects the company's employees and contractors from potential risks associated with their work in the execution of the company's activities. BOC uses a comprehensive Safety, Health, Environment and Quality (SHEQ) management system and complies with OHSAS 18001:2007 (Occupational Health and Safety Assessment Series).to systematically identify hazard sources in the workplace and to develop mitigations to minimise identified risks. Defined indicators are used to assess the company's performance, and regular and detailed audits serve to check that the company complies with the Linde Global and other International standards.

BOC continuously works to further develop the company's safety and health management through targeted training courses for its employees and contractors. Campaigns aimed at increasing employee awareness also contribute to a strong culture of safety within the company.

### **1.4 Social Commitment**

BOC strongly supports community projects and initiatives within the vicinity of the company's offices and sites and provides assistance in the form of donations and sponsorship through employee involvement in community projects.

In its core business activities, BOC's strategy includes a focus on supporting projects which are in harmony with the company's philosophy and strategy. BOC has determined priorities for the company's commitment to society which fits with the Company strategy.

## **2. Environment and Safety**

Safety is a top priority for BOC regarding both the company's own business processes and the use of the company's products.

To be a truly Leading High Performing Organisation, BOC must be an exceptionally safe company to work for, one that does not endanger the health of the company's employees, contractors and the communities in which BOC work, and does not harm the company's environment in providing quality products and services.

SHEQ is a pre-requisite for the company in any and all of the business activities which BOC undertakes. BOC is responsible for the company's environment, working responsibly in order not to compromise the company's quality standards which is in compliance with ISO 9001:2015 (Quality Management System Standard). SHEQ is a part of the company's every-day commitment and actions 100% of the time, and BOC follows the Linde Group's SHEQ rules and procedures in every respect.

BOC has a comprehensive Environmental Management System in place to monitor and maintain full compliance with Linde, International and Kenyan Environmental standards. Through ISO 14001:2015 (Environmental Management System Standard), BOC will ensure that the company complies with all relevant laws, regulations and other requirements relating to the environment.

## **2.1 Management System**

BOC has defined applicable standards for safety and environmental management, which are implemented through the company's internal management systems. The primary focus is on minimising safety risks and efficient use of energy, resources and materials. The management systems are in force at all company locations, and the company's measures also extend to contractors and other business partners. In this way, BOC implements the company's obligations as set down in the company's guidelines for SHEQ.

To further improve the company's performance regarding safety and environmental protection, BOC continuously analyses potential weak points in the company's business processes. To this end, BOC have implemented a system to record and assess incidents, including accidents, product leaks and near misses. Monitoring extends to the company's sites as well as to the transport of the company's products and their use by its customers. BOC communicates the knowledge gained from this incident reporting system internally to continuously learn and implement corrective actions.

## **2.2 Raising Awareness for Safety and Environmental Protection**

BOC systematically trains employees in occupational health and safety, product stewardship and environmental risks. In terms of safety, BOC ensure that relevant examples of best practices are prominently visible.

## **2.3 Collaboration with Communities**

In the field of safety and environmental protection, BOC cooperates with local communities. Initiatives include:

- Joint emergency exercises with local fire fighters and civil protection organisations;
- Salvaging and disposing of gas cylinders;
- Safety information events;
- Training in the handling of dangerous and easily flammable gases.

## **3. Business and Governance**

Sustainability considerations are fully integrated in the company's business decision making.

### **3.1 Compliance**

BOC will always conduct business with integrity and respect to human rights. BOC will promote fair dealing, respect toward the consumer, anti-bribery and anti-corruption practices. The company's aim is to prevent any violations. However, should any violations occur, BOC will take all necessary actions to ensure that the violations are dealt with appropriately and swiftly.

To prevent any violation, BOC applies the Linde Group's Code of Ethics, Compliance policies, Guidance from international standards, E-learning, Face-to-face training and advice by Compliance Officers.

To detect any violations, BOC applies the Linde Integrity Line, Compliance investigations and audits.

BOC follows up on any reports of misconduct and monitors all actions taken (consequence management) and ensures full cooperation with all relevant authorities.

### **3.2 Integrity Line**

The Linde Code of Ethics defines clear standards which governs the way the company's employees interact with each other and how BOC behaves towards stakeholders such as customers, suppliers, the authorities and business partners.

The Code of Ethics is binding for all employees and is supplemented by other global guidelines and standards outlining the company's commitment in core areas such as SHEQ, product stewardship, supplier management and compliance.

As part of the company's compliance programme, BOC has processes in place to identify and deal swiftly with any misconduct. BOC actively engages the company's employees to ask for advice timeously if they have any concerns and to report any violations of the company's Code of Ethics, other Group guidelines or legal regulations. Staff members can approach their direct line manager or department head, or they can contact a representative from Human Resources, Compliance, Legal Services or Internal Audit.

Linde has established a global reporting system, the Linde Integrity Line, as an additional reporting channel. This enables employees and external stakeholders such as customers and suppliers to report suspected violations, anonymously if they so wish without the fear of any recourse. BOC will ensure that each case is individually examined and that the appropriate actions are implemented.

The Integrity Line is managed by the Linde Integrity Committee, comprising Group representatives from Corporate Communications, Human Resources, Internal Audit and Legal Services.

### **3.3 Corporate Governance**

Responsible corporate governance is a key to the company's long-term success. BOC follows the Capital Markets Authority Corporate Governance Code and complies with the code's guidelines to the greatest possible extent. BOC is committed to ensuring that the company's business is conducted in all respects in accordance with rigorous ethical, professional and legal standards.

BOC supports the United Nations Global Compact. Every year, BOC reports on how the company incorporates the Global Compact's ten principles into the company's business activities. This Communication on progress is part of the company's corporate responsibility report.

### **3.4 Risk Management**

The Company systematically identifies, assesses and minimises risks. To do so BOC have set up corresponding systems for all key business processes.

These include all risks associated with:

- Environment;
- Safety;
- Human resources;
- Company's reputation;
- Legal risks;
- Possible legal or social upheaval;
- Pandemics.
- Business continuity

- 3.4.1 **Management systems for safety and environmental protection:** The company's SHEQ management systems are aimed at identifying and minimising risks in the areas of safety, health, environment and quality. The management systems are closely coordinated with the processes in the relevant business areas. BOC also include contractors and other suppliers in the company's management systems.
- 3.4.2 **Compliance programme:** The company's compliance programme is designed to prevent misconduct, to identify breaches of laws or company guidelines and, if necessary, to take measures to resolve any violations.
- 3.4.3 **Supply Chain Management:** Along with quality, price and availability, key factors when choosing suppliers also include environmental protection, social responsibility and good business practices. The company's contractual agreement with Suppliers obliges suppliers to comply with certain social, environmental and ethical minimum standards.
- 3.4.4 **Social Risks:** BOC monitors adherence to the company's and social standards. One key component is a regular survey of how the company's businesses have instituted processes to ensure fair working conditions. Another tool is the company's Integrity Line, which allows employees and external stakeholders to report suspected cases of misconduct.
- 3.4.5 **Stakeholder Dialogue:** Maintaining constant dialogue with the company's stakeholders allows the company to identify important issues and to assess their relevance. If necessary, BOC adapts its focus areas or define targets and measures to minimise risks which have been identified.

### 3.5 Supply Chain

The Company works with suppliers in various countries. The main items procured include gas cylinders and valves, tanks, tank equipment, information technology products, a range of services, machinery and other components.

#### 3.5.1 Local Procurement

BOC purchases the major share of its products and services within Kenya. The company's collaboration with local companies allows it to strengthen and grow the local economy.

#### 3.5.2 Standards for the Selection of Suppliers

When selecting suppliers, apart from aspects such as quality, price and availability, BOC also takes other sustainability aspects into account, such as environmental protection, human rights, social responsibility and business integrity. The company's Code of Ethics requires the Company employees to maintain fair and honest working relationships with its suppliers. At the same time, BOC expects its suppliers to adhere to environmental, labour and social standards, as well as to compliance requirements. These expectations are set out in the contractual agreements with its suppliers.

For activities in specified areas, the Company has also set out additional requirements for its suppliers. One of these areas concerns construction sites. Contractors working on Company sites conduct daily checks to ensure that strict standards are adhered to.

### **3.5.3 Monitoring Standards**

BOC uses various tools and measures to select and evaluate its suppliers, such as supplier self-assessments on quality management as well as safety, environmental protection, compliance and the company's standards. If necessary, BOC also uses audits to check whether suppliers are meeting the company's requirements.

Breaches of laws and guidelines can among others be reported using the Linde Integrity Line. This system ensures the systematic investigation of any suspected violations relating to the supply chain. If misconduct is identified, the company works with the suppliers in question to define specific improvement measures, which are then followed up on after a set period of time. Serious breaches and the refusal to remedy violations can also result in the termination of a supplier contract.

### **3.5.4 Supporting improvement**

The Company includes contractors in its environmental and safety management system. One example is the driver safety training BOC provides to the contractors which transport the company gases.

## **4. Measuring sustainability**

### **4.1 Key performance Indicators (KPI's)**

BOC set key performance indicators and targets to help it track its economic, environmental and social performance. BOC uses them to measure the company's progress and to identify scope for improvement. Internationally recognised standards are taken into consideration for measuring the performance outcome.

### **4.2 Goals**

BOC is committed to continuous development and improvement. That is why BOC sets the company's goals, against which BOC can measure its performance. The company's corporate responsibility report provides a brief overview of the most important sustainability goals and their respective implementation status.

### **4.3 International Standards as a Benchmark**

BOC covers key sustainability issues for the company as part of its corporate responsibility reporting activities. Internationally recognised reporting standards serve as the company's benchmark.

Every year, BOC publishes a Communication on Progress within the framework of the company's UN Global Compact membership. In it, BOC reports on how it incorporates the ten Global Compact principles into the company's business activities. The Global Compact Communication on Progress is part of the corporate responsibility report.

### **4.4 Contribution of Sustainability to BOC's business**

Regarding the growth markets of the future, BOC has identified the healthcare and hospitality business as the drivers offering the biggest potential. The company's business strategy aligns with these two economic sectors– all of them having a high relevance for sustainable development.

## **CHAIRMAN**