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|  | STANTECH MOTORS LIMITED (STM)                         |                     |              |
|                                                                                 | DOCUMENT TITLE: SUSTAINABILITY & ENVIRONMENTAL IMPACT |                     |              |
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STM is one of the best Repairs, Maintenance and Servicing Company as well as Vehicle sales in Kenya and prides itself as having created admirable automotive solutions that have created a rich customer base.

The company was established in the year 1997 and has since been a leading motor vehicle repairs, maintenance and servicing in Kenya for corporate bodies, non-governmental organizations, insurance companies, counties, individuals etc.

We are a signatory to the United Nations Global Compact since the beginning of the year 2022, and we signed up for this in order to be able to support the 10 UNGC principles and the SDGs as well as aligning them into our strategic plans and start reporting on sustainability. This underscores our commitment to building a responsible and sustainable business and especially in the private sector.

STM has identified the SDGs that are most relevant to its line of business and has implemented various initiatives and strategies to address the SDGs and the 10 Principles. They are as outlined below;

### GOAL 13: Climate Action

In supporting the UN Principles under the category of Environment and which collaborates with the Climate Action Goal of the SDGs, STM prioritizes Climate Change and for that reason we have put into place a precautionary approach to environmental challenges within and outside the organization. This is in the realization that human activities (including cutting down of trees, carbon gasses emissions etc) have extensively affected the climate change.

We have invested in sustainable operations that neither degrade the environment nor deplete the resources.

We have therefore done the following at the company level to help in tackling the climate change and its impacts.

- i) We have invested in modern spray booths in the spray painting section in order to adequately control emissions of paint fumes from contaminating/polluting the air.
- ii) We have installed air pressurized compressor machine to aid and manage various tasks in the workshops including tire inflations, pressurized washing, pneumatic drills/sanders/grinders, spray painting etc. This increases efficiency and save on energy, improved Air Quality, Lower noise levels etc.

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- iii) Piping is done which collects all used oil from the vehicles and stored at a central collector tank after which is collected from the company by a NEMA authorized external service provider for disposal.
- iv) STM has adequately managed its waste disposal. That has improved sanitation and hygiene through engagement of an external service provider who provides cleaning services on continuous bases within the organization
- v) In collaboration with like-minded partners, we sponsored and planted trees at Ngong Hills and Karura Forest besides actively participating in the World Environment Day Walk of 12kms.
- vi) We have participated in environmental cleaning around our community including ensuring free flowing drainages.
- vii) This will help reduce the carbon emission and especially our company being in the motor industry where a lot of carbon emissions from the vehicles are experienced.
- viii) The company intends to take other measures to caution climate change including;
  - More trees planting initiatives on identified areas
  - Setting aside a day in every weeks for the staff to leave their vehicles at home and either walk, take a bicycle or take public transport while going to work in order to reduce pollution and hence caution climate change and which further create more awareness in the society.
  - Sensitize our internal staff and the neighboring community (including the Juakali mechanics) on the importance of efficient catalytic converter and muffler in reducing poisonous gas emissions which pollute the air and noise pollution respectively.
  - Choosing eco-friendly products e.g. LED bulbs, shopping bags etc
  - Looking at alternative source of energy including renewable sources of energy e.g. solar energy

### GOAL 3: Good Health and Well-being

STM has ensured healthy lives and promoted well-being within the organization in various forms. Some of the forms are highlighted as below;

- i) STM has partnered with identified health facilities in order to offer treatment to staff whenever there are work related health illnesses
- ii) STM has improved sanitation and hygiene through engagement of an external service provider who provides cleaning services on continuous bases within the organization.
- iii) There are scheduled annual staff medical examinations which are mandatory to all the staff.
- iv) STM has also internally engaged an outside caterer who provides foods and drinks to staff at subsidized charges.

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- v) STM has put into place Health and safety, first aid and welfare committees in order to ensure a healthy and safe working environment
- vi) STM also Trains staff on first aid, health and safety and fire safety
- vii) Employees have been provided with appropriate PPEs according to their areas of operation. Any worn out PPEs are replaced immediately.
- viii) Provision of clean drinking water

#### GOAL 4: Quality Education

- i) The company supports education by competitively carrying out its recruitments whenever vacancies arise.
- ii) STM also allows those employees attached to various learning institutions paid time-off to sit for their examinations.
- iii) The company also promotes staff after attaining higher competences.
- iv) Government sponsored internships and other private internships are also offered in the company in order to give more exposure to graduates and ongoing students.

#### GOAL 5: Gender Equality

STM has prioritized and committed itself to gender equality as a fundamental human right. In that regard, STM has ensured that women have formed 57% of the management team as well as 45% representation in our middle level workforce.

*We believe in the balance of gender in the workplace and everyone's contribution and effort is valued. In addition, we have put into place a policy that supports both the maternal and paternal leave that is fully paid for. New fathers are allowed to take two weeks paid paternity leave while new mothers are allowed three months paid maternity leave, and upon resuming duty they are further allowed to leave work an hour earlier for one extra month.*

The company has also made it clear through the company policy that employment decisions will be based on merit, qualifications and abilities. The equality will disregard issues such as race, religion, sex, age, disability etc.

Moreover, the organization has captured in its policy stern warning against sexual harassment and the same has been communicated to all the employees.

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### **GOAL 6: Clean Water and Sanitation**

The company has enabled access to clean drinking water and sanitation to all its employees, guests and other stakeholders. Dispensers have been placed at strategic locations within the company with clean distilled water.

Piped water has also been provided at the company's carwash sections and workshops to safeguard employees in those areas.

Hand-cleaning detergents have also been placed at various hand-washing facilities including washrooms to ensure cleanness and maintain hygiene.

### **GOAL 7: Affordable and Clean Energy**

STM makes use of clean energy.

Some appliances are plugged into power strips which turns them off when not in use.

As mentioned in this report also, the company is in the process of starting campaigns of either walking, taking a bicycle and using public transport to reduce carbon emissions.

The company is however in the process of transiting to an affordable, reliable and sustainable energy system by investing in renewable energy resources as well as prioritizing energy efficient practices.

### **GOAL 8: Decent Work and Economic Growth**

The company has promoted inclusive and sustainable economic growth, employment and decent work for all.

STM has supported and given opportunities to its employees. This has been done through giving its employees descent incomes, security at the workplace, better prospects for personal development and growth and social integration.

### **GOAL 9: Industries, Innovation and Infrastructure**

Sustainable industrialization, innovation and infrastructure can unleash dynamic and competitive economic forces that generate employment and income.

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In terms of industrial and communication infrastructure as well as data management, the company has invested heavily in order to create sustainable systems;

- i) There is an ERP system to manage various company processes e.g. sage premier and payroll system.
- ii) Invested in auto systems infrastructure e.g. computerized wheel alignment and balancing, Bosch ECU diagnosis machine and other launch devices
- iii) Installation of modern spray painting booths to enhance efficiency and control air pollution
- iv) Installation of air pressurized compressor machine to enhance operations in the workshop.
- v) Installed failover power generator and UPSs
- vi) Installed high speed fibre internet connection with redundancy
- vii) In compliance with the Kenya data protection act of 2019 we have enforced cyber security, email and internet usage policies.
- viii) Installed up to date End point security software for LAN and WAN protection.
- ix) Activated nodes and WAN firewalls
- x) Secured domain and active directory controllers and group policies
- xi) SSL Secured domains and hosting (.com and .co.ke)
- xii) Installed advanced CCTV systems for adequate coverage to enhance security.

#### **GOAL 10: Reduced Inequalities**

The company has taken various measures to control inequalities that may exist in the job market. They include inequality on incomes, sex, age, disability, religion, HIV, opportunities, race etc.

Appropriate policies against inequalities have been drawn and continue to be implemented to ensure a life of dignity for all.

#### **GOAL 12: Responsible Consumption and Production**

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STM has always promoted use of resources optimally and efficiently. This has been done in various ways;

### **Recycling and Reducing waste**

- i) The workshops have been fitted with the transparent iron sheets to facilitate lighting in the workshop hence saving on electricity costs.
- ii) The daily newspapers acquired ends up in the workshop to facilitate wrapping of vehicles during paint work hence reducing costs used acquiring wrapping materials
- iii) Disposal of waste within the company e.g. old parts and oil are collected by NEMA registered disposal firms.

### **Digital**

- i) Most of the communications within and outside the company (with customers and other stakeholders) are done via emails and other operational systems (e.g. the procurement autointelparts system) hence promoting paperless transactions which in return save trees hence avoiding environmental degradation. For instance the marketing team is well trained to participate and apply tenders through the Mtender and Tender Sure Portal and submits the tenders online hence reducing on paperwork. Departmental reports are presented on google sheets. Online customers invoice submission etc.

### **GOAL 15: Life on Land**

STM has been on the forefront in ensuring that human activities do not negatively affect the nature. This is in the realization that human activities have greatly contributed to deteriorating economies, livelihoods, food security, health and quality of life. Some of the human activities include deforestation and desertification.

In that regard, STM is embarking on scheduled plans to aid in land restoration through planting of trees at identified locations.

Other areas of nature sustainability are as highlighted below.

### **Green office**

Garage staff aims at minimizing their negative ecological impact.

- i) The boardroom is equipped with a projector that helps avoid excessive use of paper; electronic devices switch off when not in use

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- ii) As mentioned in this report, recycling is highly encouraged within the organization, including recycling of printing papers for new print jobs.
- iii) The office participates in energy-saving measures with LED lighting and monitoring water usage.
- iv) Paperless presentations in meetings and training.

### GOAL 16: Peace and Justice Strong Institutions

The Company promotes peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective and accountable departments at all levels.

- i) The Company has put into place policies that guide the procedures that deal with any conflicts that arise across all the company stakeholders.
- ii) The company has ensured that the policies and procedures are applied without any form of discrimination.
- iii) In case of conflicts or disputes, there is a disciplinary committee that seeks to resolve any matters reported or identified.
- iv) The management encourages freedom of expression at all levels in order to aid in airing of different views and hence enhanced cohesion.

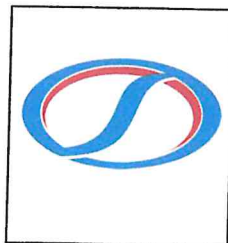
### GOAL 17: Partnerships to achieve the Goal

STM acknowledges that successful implementation of the SDGs can only be realized with inclusive and tangible partnerships, engagements and cooperation with other players in the economy. For instance the consequences of Covid-19 pandemic enlightened all the sectors about strengthening their relationships and working together towards the same goal.

#### **We Preach What We Practice and encourage our clients and other stakeholders to do the same**

- i) We have shared eco-friendly driving and maintenance practices with our customers.
- ii) We have introduced anti-corruption and anti-bribery policies and we are ensuring that our stakeholders sign to express their commitment before we engage them for various services.

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- iii) The team creates awareness to customers how to improve efficiency. We are not just looking to making profits but also ensure that the drivers (customers) understand how to be a better citizen on and off the road.

**Practice Ethical Disposal**

We have partnered with NEMA approved firms e.g. on waste and used oil disposal.

We have also partnered with cleaning external service provider and fumigation and pests control services provider to ensure good health, well-being and sanitation.

Recycling of accepted materials paper/cardboard, metal, plastic, rubber is also practiced within the company. We educate employees about these recycling guidelines for filters, wiper blades, etc.

The staff makes sure everything is responsibly stored and disposed-off.

The company is in the process of reaching out to many other partners and stakeholders in order to mobilize action on the SDGs implementation. This includes the government and the local community.

We are looking into registering our initiatives on the SDGs Partnership Platform in order to educate, learn, inform and network more.

**DEFINITIONS AND ACRONYMS**

- i) STM – Stantech Motors
- ii) SDGs – Sustainable Development Goals