



# **CAR & GENERAL (KENYA) PLC**

## **Stakeholder Engagement Policy**

This policy expresses Car & General's focus on the creation of shared sustainable value for the Stakeholders related to its business activity. Car & General believes that it is only possible to achieve the social interest and develop a responsible and sustainable business model with the strong engagement of its Stakeholders.

Stakeholders are defined as those groups and entities whose decisions and opinions have an influence thereon and who, at the same time, are affected by the Car & General's activities. The Company is committed to involve all of its Stakeholders; including communities, from the perspective of business ethics, the promotion of diversity, equality, inclusion, the sense of belonging, and justice, and the encouragement of innovation and protection of the environment through the generation of quality employment ensuring equal opportunity and non-discrimination in people management, as well as leadership in the fight against climate change.

The Company's Stakeholders also have a leading role in corporate reputation, which is understood as their set of perceptions regarding the company. These perceptions determine the decisions of the Stakeholders to invest, purchase or make recommendations, directly affecting the long-term sustainability of a company.

This Policy aims to proactively manage the C&G's Stakeholders in order to include their expectations within the Company's management and to mitigate the related risks.

### **Purpose**

The purpose of this Policy is to establish the general framework for the C&G's relations with its Stakeholders in all of its activities and operations, in order to:

- a) continue encouraging the engagement of the Stakeholders in the Company's business enterprise through a strategy of strong involvement in the communities in which it operates and the creation of shared sustainable value for all of them;
- b) continue responding to the legitimate interests of the Stakeholders with which the Company interacts;
- c) continue building trust among the Stakeholders in order to build long-lasting, stable and robust relationships;
- d) encourage the recognition by all of its Stakeholders of the Company's commitment to diversity in the broad sense, particularly in all matters regarding the professional development of their members; and
- e) contribute through all of the above to maintaining the corporate reputation in the various countries and businesses in which the Company does business. Notwithstanding the foregoing, the Board of Directors may approve other corporate policies addressing specific Stakeholders

### **The Company's Stakeholders**

The value chain made up of the activities carried out by the Company means that its Stakeholders are quite numerous. Stakeholders are grouped into the following categories:

- Workforce.
- Shareholders and the financial community.

- Regulatory entities.
- Customers.
- Suppliers.
- The media.
- Society at large.
- The environment.

These Stakeholders are in turn divided into other categories, the Sub-stakeholders, made up of various groups and entities, which allows the management of the relationships to be adjusted to specific and local realities, needs and expectations

### **Basic Principles**

The Group accepts and promotes the following basic principles to engage and establish relations of trust with its Stakeholders:

- a) **Responsibility:** act responsibly and build relationships based on ethics, integrity, sustainable development, and respect for human rights and the communities affected by the various activities of the Group.
- b) **Transparency:** ensure transparency in relationships, and in financial and non-financial communications, sharing truthful, sufficient, relevant, complete, clear, reliable and useful information.
- c) **Active listening:** practice active listening, encouraging bi-directional and effective communication as well as direct, fluid, constructive, diverse, inclusive and intercultural dialogue.
- d) **Participation and engagement:** encourage the participation and engagement of the Stakeholders in all of the Company's activities, promoting voluntary consultation processes or similar channels of interaction in application of the
- e) **Consensus:** work towards consensus with the Stakeholders, especially with local communities and indigenous populations, taking their viewpoints and expectations into consideration.
- f) **Collaboration:** promote collaboration with the Stakeholders, in order to contribute to compliance with the Mission, Vision and Values of C&G and the achievement of the SDGs.
- g) **Continuous improvement:** seek continuous improvement, regularly reviewing Stakeholder engagement mechanisms to ensure that they respond in the most efficient way possible to the needs of each moment.

### **Responsibilities in the Management of Stakeholder Engagement**

From the corporate governance standpoint, the Board of Directors is vested with the power to approve and supervise the general strategy on engagement with the Company's Stakeholders, endeavoring to ensure the proper coordination. To this end, the Communications function, galvanizes and coordinates the actions required to comply with this Policy as well as to promote best practices in this area.

Pursuant to the C&G's organizational structure, inspired by the principle of empowerment, the subsidiaries and company divisions, within their purviews, are responsible for implementing the

strategy regarding Stakeholder engagement as well as maintaining direct discussion and dialogue with their various Stakeholders, especially those who act within the environment of the facilities of the Group's businesses. The head of business shall be endowed with the resources and structure necessary for them to carry out these activities.

The C&G management is required to establish the mechanisms required to ensure that the Stakeholders have sufficient capacity to engage with the Company. C&G have established guidelines that addresses;

- a) Segmentation of the Stakeholders, the identification of Sub-stakeholders, and the prioritization of the latter, based on the Group's impact and ability to influence them, as well as their impact and ability to influence the Group.
- b) Guidelines to ensure that the Stakeholders have sufficient capacity to communicate with the Company, through regular evaluation of the available channels and the characteristics thereof (number, type and frequency of use) by the persons in charge of them. The channels are constantly evolving to adjust to the needs and realities of each moment and to maximise their effectiveness in establishing close, robust and long-lasting relationships.
- c) Guidelines to identify and prioritise relevant issues (needs and expectations) for each Stakeholder, as well as to identify and manage the risks and opportunities related to these significant issues, all in relation to the Company's contribution to achieving the SDGs. In the case of risks, their management depends on their evaluation in terms of probability, impact and the existence of related reputational risks.
- d) Guidelines to design and monitor action plans that respond to issues that are significant for the Stakeholders based on an assessment of the risks and opportunities thereof, while improving communication and relations therewith.
- e) Allows for knowing the impacts of the actions in relation to the Stakeholders, maximising positive impacts and mitigating those that are negative.
- f) Identification of future trends relating to the expectations of the Stakeholders, as well as good practices to be shared throughout the Group.

#### Communication

The results of the Group's Stakeholder engagement are mainly disclosed through the communication strategy, the corporate website, social media, as well as the various reporting elements, including the statement of non-financial information and the integrated report.