



Ufanisi Freighters (K) Ltd. Sustainability Report

2020-2021

www.ufanisi.co.ke

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Managing Director's Message

Welcome to our first Sustainability Report through which we intend to provide our stakeholders with a comprehensive review of Ufanisi Freighters (K) Ltd.'s Environment, Social and Governance activities. To measure our progress against our environmental and social responsibilities UFKL has focused on SDG 6: Clean Water and Sanitation this year; in addition to that which we had already been doing. Throughout the course of this report, you will gain insight into how we at Ufanisi Freighters (K) Ltd., have deliberately purposed to ensure our way of working encompasses all the general principles of responsible and sustainable business.

Who We Are

Ufanisi Freighters (K) Ltd., was established in Kenya in 1989. Over the years, we have grown to be a world class integrated logistics solutions provider in East and Central Africa (Kenya, Uganda, Southern Sudan, Rwanda, Tanzania, Burundi, DR Congo, and Zambia) where we maintain a strong presence and the world at large.

Our Vision

A global leader in freight and allied services respected for effective service delivery in a timely and professional manner.

Our Mission

We are committed to handling, preserving, and moving freight with utmost speed, accuracy, and efficiency in a flexible manner with the committed support of our professional staff.

Our Values

Competence: Our strength lies in the skills, knowledge and attitude of our employees. We strive to consistently improve the capacity of our staff through careful recruitment procedures, training, performance management and robust incentive scheme. We initiate and nurture new recruits into a mental and behavioral state of readiness to serve customers with delight.

Efficiency: We endeavor to deliver high quality services at the shortest time possible using minimum effort and cost. Our joy is ensuring that customer trust on our efficient service delivery is not compromised at any time everywhere.

Speed: Time management is the essence of logistics business. We know that slight delay is costly and destructive to the business of our customers. We do not tolerate slack and delays in service delivery. Our procedures and systems are audited and reviewed from time to time to accelerate the speed of service delivery.

Accuracy: Delivering correct message is our pursuit. We commit to generate bills devoid of error and whenever charges change due to unforeseen circumstances on the part of our customers, we provide timely advice.

Flexibility and innovativeness: Our business accommodates customer's viewpoints and provides wide latitude for customer choice. We believe in the power of continuous improvement. Complacency is not our language; we incrementally improve customer experience through creativity and innovation.

Customer focus: We seek to understand the needs of our customers through dialogue and continuous engagement. We take customer instructions seriously and commit to deliver superior value by responding to current and emerging customer needs, expectations and aspirations.

UFKL and The Ten Principles of the UN Global Compact

Human Rights

‘Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.’ (The Ten Principles of the UN Global Compact, n.d.)

While we do not have a formal human rights policy in place, we are committed to ensuring that the welfare of our employees is well taken care of. For instance:

- We have a medical program to cater for all our staff that covers in-patient, out-patient, dental, and optical services.
- We do not hire any under-age workers.
- We ensure that our employees are compensated fairly for their work.

Labor

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

Principle 4: the elimination of all forms of forced and compulsory labor;

Principle 5: the effective abolition of child labor; and

Principle 6: the elimination of discrimination in respect of employment and occupation.’ (The Ten Principles of the UN Global Compact, n.d.)

UFKL is committed to ensuring that there are no under-age hires throughout all our departments, and that there is no discrimination of any kind in the workplace. There are systems in place to anonymously (a suggestion box accessible to all staff) report any forms of discrimination and harassment at work, and we are pleased to report that we have not had any such incidences in the past year.

Environment

‘Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.’ (The Ten Principles of the UN Global Compact, n.d.)

UFLK is committed to preserving the environment around us, and it is for this reason that we partnered with the County Government, the Ministry of Health, and the Environment Office to organize a clean-up of the street our head office is currently situated on. The exercise was successful and members of the community with whom we share the street were also taken through a sensitization awareness program on waste management and sanitation; so as to ensure that even after the clean-up exercise, high levels of hygiene were maintained.

In terms of our internal operations, UFLK has also taken steps to ensure that our tea blending process (the activity through which different grades and gardens of tea are mixed) results in hazard-free teas. For instance, since 2020 we have been doing our manual tea blending on an epoxy floor as opposed to tarpaulin (which was the case before) as this reduces the amount of waste from the process, especially in cases where the tarpaulin would have teared. The manual blending process also allows us to take the teas through a critical control point of iron extraction machines for hazard identification/controlling before packaging.

The resultant waste is then weighed to ensure that it is within the allowable limit of human consumption (not exceeding 150 parts per million) as per the KES 2018:2019 standards of black tea specification. This is then passed on to the Ministry of Health, and NEMA officials, escorted by the Kenya Police (to ensure that it does not end up in the black market) for disposal by incineration. This disposal exercise is done regularly every 6 months.

Anti-Corruption

‘Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.’ (The Ten Principles of the UN Global Compact, n.d.)

UFLK does not participate in any forms of extortion and/or bribery, and there has been no lawsuit or claim against the company or any of our employees in regards to the same thus far.

UFKL and the SDG's



SDG 1: No Poverty

The objective of this SDG is to end poverty in all its forms everywhere. While we may not be able to single-handedly end poverty in our country of operations, Kenya, we do realize that every little effort goes a long way in meeting an end goal.

It is for this reason that in addition to the fact that UFKL issue an annual cheque to the Nyumba Ya Wazee program in its headquarters Mombasa, Kenya; we also decided to do things a little different last year during our annual Customer Service Week celebrations. In 2020, Customer Service Week was more important than ever, due to the onset of the global pandemic: COVID-19. While the week was generally focused on appreciating employees for the resilience demonstrated in working through the pandemic, we also felt it would be prudent to lend a helping hand to the less fortunate in our community. Staff members were encouraged to donate items that they were no longer using towards the CSR kitty throughout the week in an initiative dubbed the 'Pay It Forward Week'. The company also allocated part of the Customer Service Week budget towards this initiative, and through these collective efforts we were able to visit 3 children's homes in Mombasa, Nairobi, and Namanga whereby we were able to

donate food items, items of clothing, and monetary contributions to alleviate the effects of the harsh economic times made even worse by the onset of the pandemic.



Figure 1 Staff take a picture with the children at one of the children's homes we visited during the 2020 Customer Service Week celebrations



NEW BEGINNING CHILDREN'S HOME
P.O. BOX 102130 001001, UTAWALA- NAIROBI
MOB: +254 716 051130 / +254 723- 574677
Email: nbchezo@gmail

UFANISI FREIGHTERS (K) Ltd,
P.O BOX 43357-00100
NAIROBI, KENYA.

Dear Sir/Madam,

RE: APPRECIATION.

Calvary greetings.

Hello, on behalf of New Beginning Children's Home Utawala, I take this opportunity to thank you and your family/team/friends for standing with us through your continued support, donations, volunteers, Aids and prayers especially during these trying moments of covid 19.

Through your presence, visits and support in our home, the lives of the young angels at the home have been improved and faces glows with beautiful smiles. We will always cherish you in our hearts.

Blessings from New Beginning Children's Home Utawala and you are equally welcome to visit NBCH anytime.

Yours Faithfully,

ISRAEL MBUVI KAMUTI

NBCH DIRECTOR

cc DANIEL KIILU MUTUKU

NBCH CO - DIRECTOR

Bank Account Name: Equity
Name: New Beginning Empowerment
Number: 1790179805575
Branch: Utawala

New Beginning Home Paybill
Business No. 247247
Acc. No. 198220

.....Defend the weak and the fatherless" Psalm 82:3

Figure 2 A letter of appreciation from one of the children's homes we visited during the 2020 Customer Service Week celebrations

SDG 3: Good Health and Wellbeing

The UNDP website cites that at least 400 million people have no basic healthcare, and 40 percent lack social protection.

One of the goals of SDG 3 is to halve the number of global deaths and injuries from road traffic accidents by 2020; while another is to strengthen the capacity of all countries, in particular developing countries, for early warning, risk reduction and management of national and global health risks. It is in light of this that UFKL's participation in celebrating the 2021 World Day for Health and Safety at Work involved a sensitization awareness session for Road Safety and COVID-19 by 2 health and safety experts from the Ministry of Health. Staff in our head office were taken through basic road safety training by an engineer from the Ministry of Public Works-Mombasa County, and an officer from the Public Health Department trained them on COVID-19 prevention measures and the importance of getting the COVID-19 vaccine.

Staff were also advised against substance (ab)use while operating the fleet of trucks and/or machinery to avoid road and work-related accidents as this would impair their judgement.

In addition to the already company-issued UFKL reflector vests, staff were also issued with new PPE's namely helmets, overalls, branded reflective vests, and safety boots to ensure that workplace injuries are minimized.



Figure 3 A staff member sensitizes staff on the importance of the World Health and Safety Day



Figure 4 Staff pay attention to the ongoing Sensitization Exercise by the Public Health Official



Figure 5 Staff pose for a group photo after the World Health and Safety Day activities

Besides the commemoration of the above event, all UFKL food handlers (i.e., the ones in charge of tea handling) receive the Typbar TCV Vaccine at the point of hiring to protect them against communicable diseases e.g., tuberculosis, salmonella, E. Coli, and many others. They are also subjected to stool and urine tests every 6 months, and to a hand swab annually, so as to test for any other diseases that they may have contracted.

All food handlers are also issued with dust masks and the area in which they operate in on a daily basis fitted with 8 cyclonic ventilators installed for purposes of dust extraction. Additionally, they are issued with the appropriate Personal Protective Equipment (PPE) gear i.e., production boots, safety shoes, overalls, dust coats, headgear, and safety gloves.

SDG 6: Clean Water and Sanitation

Facts and Figures

More than 80 per cent of wastewater resulting from human activities is discharged into rivers or sea without any pollution removal (Goal 6: Ensure access to water and sanitation for all, n.d.)

The UNDP website cites that 80 percent of wastewater goes into waterways without adequate treatment.

Each day, nearly 1,000 children die due to preventable water and sanitation-related diarrheal diseases. It is for these reasons that UFKL thought it prudent to team up with the Mombasa County Government, the Ministry of Health and the Ministry of Environment to conduct a Clean-Up activity on the street our head office is currently situated. The Clean-up activity focused on the need to enhance sanitation and high standards of hygiene to ensure a clean and healthy environment.

Public Health Officials and members of the Environment Office also conducted a sensitization awareness exercise in the week leading up to the main event to ensure that:

- the occupants of the street understood the importance of the clean-up exercise
- the occupants of the informal eating establishments on the street understood their contribution to and role in proper waste management
- the occupants of the street understood the different forms of waste (dry waste, wet waste, and hazardous waste) and how to dispose of them
- the designated county garbage collection points were well-known to all
- the applicable fines when found mishandling waste/dumping were well-known to all
- the role of clean water in the fight against the COVID-19 pandemic as well as other communicable diseases was well understood by all

UFKL then proceeded to donate 2 large bins to be placed on both ends of the street, as well as multiple hand-washing stations to the informal eating establishments.



Figure 6 Staff pose next to 1 of the bins we donated during the Clean-Up Exercise



Figure 7 A group of our casual staff assist in cleaning the inside of our yard as part of the Clean-Up Exercise



Figure 8 A combination of our staff, the occupants of the informal eating establishments, as well as the Community Health Volunteers clean up a section of the street



Figure 9 A Public Health Official demonstrates how to categorize the different waste into different colored bin liners



Figure 10 Our General Manager, Mr. Lawrence King'ora, hands out reflectors to staff and volunteers as we kick off the Clean-Up Exercise



Figure 11 Sections of the street before and after the Clean-Up

SUMMARY

SDG 1: No Poverty:		
End poverty in all its forms everywhere		
UFLK Action	SDG Target Covered	SDG Indicator Covered
In addition to the fact that UFLK issue an annual cheque to the Nyumba Ya Wazee program in its headquarters Mombasa, Kenya, we also visited 3 children's homes in Nairobi, Mombasa, and Namanga during our 2020 Customer Service Week celebrations.	Target 1.1: Eradicate extreme poverty	<u>1.1.1: Eradicate extreme poverty</u> Goal: By 2030 eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.90 a day. (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)
SDG 3: Good Health and Wellbeing:		
Ensure healthy lives and promote well-being for all at all ages		
UFLK Action	SDG Target Covered	SDG Indicator Covered
UFLK's participation in celebrating the 2021 World Day for Health and Safety at Work involved a sensitization awareness session for Road Safety and COVID-19 by 2 health and safety experts from the Ministry of Health.	Target 3.6 Reduce road injuries and deaths (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)	<u>3.6.1: Halve the number of road traffic deaths</u> Goal: By 2020 halve the number of global deaths and injuries from road traffic accidents. (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)
	Target 3.D: Improve early warning systems for global health risks (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)	<u>3.D.1: Health emergency preparedness</u> Goal: By 2030 Strengthen the capacity of all countries, in particular developing countries, for early warning, risk reduction and management of national and global health risks. (Ritchie,

		Roser, Mispy, Ortiz-Ospina, 2018)
UFLK's participation in celebrating the 2021 World Day for Health and Safety at Work also included a staff sensitization session by an official from the Public Health Department on HIV/AIDS prevention and management. It was also emphasized that there is a need for practicing safe sex now more than ever as there is currently a nationwide shortage of ARV's. The Public Health Officers also promised to continue facilitating the supply of free condoms to the company for use by all.	Target 3.3: Fight communicable diseases (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)	<u>3.3.1: Number of new HIV infections per 1,000 uninfected population, by sex, age and key populations</u> Goal: The target 2030 is to end the epidemic of HIV across all countries. (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)
Staff were also cautioned against substance (ab)use while operating the fleet of trucks and/or machinery to avoid road and work-related accidents as this would impair their judgement.	Target 3.5: Prevent and treat substance abuse (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)	<u>3.5.2: Alcohol consumption per capita</u> Goal: By 2030 Strengthen the prevention and treatment of substance abuse across all countries. (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)
UFLK food handlers (i.e., the ones in charge of tea handling) receive the Typhoid TCV Vaccine at the point of hiring to protect them against communicable diseases e.g., tuberculosis, salmonella, E. Coli, and many others. They are also subjected	Target 3.3: Fight communicable diseases (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)	<u>3.3.2: Tuberculosis incidence per 100,000 population</u> Goal: The 2030 target is to end the epidemic of tuberculosis (TB) in all countries. (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)

<p>to stool and urine tests every 6 months, and to a hand swab annually, so as to identify any communicable diseases.</p> <p>All food handlers are also issued with dust masks and the area in which they operate in on a daily basis has 8 cyclonic ventilators installed for purposes of dust extraction. They are also issued with the appropriate Personal Protective Equipment (PPE) gear i.e., production boots, safety shoes, overalls, dust coats, headgear, and safety gloves.</p>	<p>Target 3.4: Reduce mortality from non-communicable diseases and promote mental health (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)</p> <p>Target 3.9: Reduce illnesses and deaths from hazardous chemicals and pollution (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)</p>	<p><u>3.4.1: Mortality rate attributed to cardiovascular disease, cancer, diabetes or chronic respiratory disease</u></p> <p>Goal: By 2030 reduce premature mortality from non-communicable diseases (NCDs) by one-third in all countries. (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)</p> <p><u>3.9.1: Mortality rate from air pollution</u></p> <p>Goal: By 2030 substantially reduce the number of deaths and illnesses from air pollution. (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)</p>
<p>UFLK also conducts a monthly workplace disinfection exercise whereby in addition to sanitizing against the COVID-19 virus, the goal is also to eliminate the occurrence of various insects including mosquitoes which are carriers of malaria, chikungunya, and dengue fever.</p> <p>The Clean-up exercise we conducted also helped in getting rid of mosquito</p>	<p>Target 3.3: Fight communicable diseases (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)</p>	<p><u>3.3.3: Malaria incidence per 1,000 population</u></p> <p>Goal: By 2030 end the epidemic of malaria in all countries. (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)</p> <p><u>3.3.5: Number of people requiring interventions against neglected tropical diseases</u></p> <p>Goal: By 2030 end the epidemic</p>

breeding grounds e.g., stagnant water, and accumulated organic waste.		of neglected tropical diseases (NTDs) in all countries. (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)
All female UFKL employees have an additional maternity health insurance cover in addition to the normal outpatient and inpatient health insurance covers.	Target 3.1: Reduce maternal mortality (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)	<p><u>3.1.1: Maternal mortality ratio</u></p> <p>Goal: By 2030 Reduce global maternal mortality to less than 70 per 100,000 live births per year. (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)</p> <p><u>3.1.2: Skilled birth attendance</u></p> <p>Goal: By 2030 Reduce global maternal mortality to less than 70 per 100,000 live births per year. (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)</p>
All UFKL employees have private medical insurance cover for both outpatient and inpatient services in addition to the National Health Insurance Fund.	Target 3.8: Achieve universal health coverage (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)	<p><u>3.8.1: Coverage of essential health services</u></p> <p>Goal: By 2030 achieve universal health coverage including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all. (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)</p>

SDG 6: Clean Water and Sanitation: Ensure access to water and sanitation for all		
UFLK Action	SDG Target Covered	SDG Indicator Covered
<p>Clean-Up Activity of the Street UFLK-Mombasa (our head office) is located on. There was also a sensitization awareness exercise where the members of the community we share the street with were taken through:</p> <ul style="list-style-type: none"> the importance of proper waste management the different types of waste (dry waste, wet waste, and hazardous waste) the designated county garbage collection points the applicable fines when found mishandling waste/dumping 	<p>Target 6.3: Improve water quality, wastewater treatment and safe reuse</p> <p>UN definition: By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally. (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)</p> <p>Target 6.B: Support local engagement in water and sanitation management (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)</p>	<p><u>6.3.1: Safe sanitation and hygiene</u></p> <p>Goal: Halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally by 2030. (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)</p> <p><u>6.3.2: Ambient water quality</u></p> <p>Goal: By 2030 improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials. (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)</p> <p><u>6.B.1: Local participation in sanitation management</u></p> <p>Goal: By 2030 support and strengthen the participation of local communities in improving water and sanitation management. (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)</p>

SDG 8: Decent Work and Economic Growth: Promote inclusive and sustainable economic growth, employment and decent work for all		
UFLK Action	SDG Target Covered	SDG Indicator Covered
<p>Whilst marking the 2021 World Day for Health and Safety at Work, staff were also issued with new PPE's namely helmets, overalls, branded reflective vests, and safety boots (in addition to the already company-issued UFLK reflector vests); in a bid to ensure that workplace injuries are minimized.</p> <p>UFLK also conducts the following maintenance activities quarterly or on a need-by-need basis in a bid to promote a safe and secure working environment for our staff, while ensuring the quality of our products and services:</p> <ul style="list-style-type: none"> • pest control, • servicing of forklifts, • servicing of fire safety equipment, • calibration of our iron extraction and blending machines magnets 	Target 8.8: Protect labor rights and promote safe working environments (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)	<u>8.8.1: Occupational injuries</u> Goal: Protect labor rights and promote safe and secure working environments for all workers by 2030. (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)

SDG 12: Responsible Consumption and Production: Ensure sustainable consumption and production patterns		
UFLK Action	SDG Target Covered	SDG Indicator Covered
UFLK has taken steps to ensure that our tea blending process results in hazard-free teas. For instance, since 2020 we have been doing our manual tea blending on an epoxy floor as opposed to tarpaulin as this reduces the amount of waste from the process, especially in cases where the tarpaulin would have teared. The resultant waste is then weighed to ensure that it is within the allowable limit of human consumption and passed on to the Ministry of Health, and National Environment Management Authority (NEMA) officials, for disposal by incineration.	Target 12.4: Responsible management of chemicals and waste (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)	<u>12.4.2: Hazardous waste generation</u> Goal: Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks by 2020. (Ritchie, Roser, Mispy, Ortiz-Ospina, 2018)

WAY FORWARD

We remain committed to the achievement of the SDG's, and will continue to monitor and improve our processes and policies to ensure that they are both sustainable, and socially responsible.

AVAILABILITY OF THE REPORT

In line with our values of integrity and accountability, this report will be communicated to our stakeholders through: the company website (which is accessible to the public), an email to all our employees, and as an upload to the United Nations Global Compact website.

REFERENCES

Goal 6: Ensure access to water and sanitation for all. (n.d.). Retrieved from United Nations:
<https://www.un.org/sustainabledevelopment/water-and-sanitation/>

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