



Associated Vehicle Assemblers

SUSTAINABILITY PROGRESS REPORT FOR YEAR 2025/2026



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INTRODUCTION

Reporting Period And Scope

This Sustainability Report outlines AVA's efforts and progress in promoting sustainable development during the **period 2025/2026**. It reflects our commitment to responsible environmental, social, and governance (ESG) practices, aligned with global frameworks such as the UN Sustainable Development Goals.

Reporting Principles And Methodology

This report is aligned with the **Global Reporting Initiative (GRI) Standards**, **United Nations Sustainable Development Goals (SDGs)**, and the **Ten Principles of the United Nations Global Compact (UNGC)**. Our disclosures are informed by ongoing engagement with employees, customers, suppliers, regulators, and local communities.



ABOUT AVA

Associated Vehicle Assemblers Ltd was inaugurated in 1975 and is the leading contract vehicle assembler in East and Central Africa and is **100% owned by Simba Corporation** since October 2017.

AVA offers an extensive range of vehicle engineering solutions including vehicle assembly, body building, specialty vehicle transformation, local parts manufacturing and supply chain logistics.

*AVA assembles
82 different
models from 23
OEMs based in 9
countries globally.*

While our core business revolves around building world-class quality vehicles, our diverse scope of services and solutions are geared at making AVA the ideal partner for all-around automotive engineering solutions

Message from the Ag. Managing Director



The global automotive landscape is undergoing a profound transformation. At AVA, we are proud to pioneer this evolution in Kenya. We have successfully **expanded our operations to integrate Electric Vehicle (EV) assembly** alongside our traditional Internal Combustion Engine (ICE) production. By blending our established ICE expertise with clean EV technology, AVA is securing Kenya's position as a sustainable industrial hub.

Our commitment to innovation and sustainability has yielded measurable progress this past year. Through the dedication of our teams and strategic investments, we successfully achieved:

- **172 EVs Produced**
 - Diversifying our production line to include zero-emission 3-wheelers, passenger cars, and vans.
- **Estimated 492 Tonnes Carbon Reduction Annually**
 - Making a verifiable impact on regional air quality and climate goals.
- **61 New Jobs Created**
 - Expanding local employment and fostering specialized engineering talent in Kenya.

Our growth is anchored in responsible corporate citizenship. We are aligned with global benchmarks that guide our environmental, social, and governance (ESG) practices:

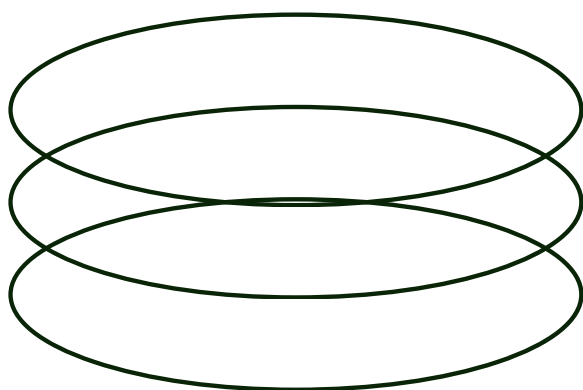
- **UN Global Compact**
 - We steadfastly uphold the Ten Principles of the UNGC across all operations.
- **GRI Standards**
 - We maintain rigorous transparency and accountability in our sustainability reporting.
- **UN Sustainable Development Goals**
 - Our shift toward e-mobility directly advances SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation, and Infrastructure), and SDG 13 (Climate Action).

Our transition to EV assembly is shaped by continuous dialogue and involvement of our key partners:

- **Employees**
 - We are actively upskilling our local workforce in high-voltage systems and advanced EV manufacturing.
- **Suppliers**
 - We are collaborating to build localized, resilient automotive supply chains.
- **Customers & Communities**
 - We deliver vehicles that reduce emissions, lower operating costs, and support cleaner environment
- **Regulators**
 - We partner with the government to establish standards that are safe, reliable, and accessible

We remain dedicated to driving economic progress that honours our people and protects our planet.

VEHICLE ASSEMBLY PORTFOLIO



As a contract assembler AVA has one of the largest ranges of Customers & Models in the world.

We assemble 82 different models from 23 OEMs based in 9 countries globally.

In line with the transition to sustainable mobility, AVA has expanded into EV assembly, enabling us to broaden our vehicle portfolio by incorporating new EV customers, further strengthening our capability to support the evolving automotive industry and Kenya's e-mobility agenda.



Beiben-Truck



Brands & Franchise Holder	Capacity Utilization
• CFAO Mobility – Toyota, Hino • SIMBA CORP – Mitsubishi, FUSO, Mahindra, Proton, Ashok Leyland • SEAL – Scania, MarcoPolo Bus • TATA – Tata, Daewoo • Nelion - Beiben • DFAC – Dong Feng • Mobikey - Foton • Rideence –Henrey , Joylong EV • EVs – BasiGo, Rideence • Three Wheelers – Piaggio, Bajaj, Atul	Capacity – 30,000 units p.a. Production 2025 – 6,451 Utilization – 22% Market Share – ~43%



FOTON



BAJAJ



DONGFENG



ELECTRIC VEHICLES

**Advancing Electric
Mobility Through Local
Assembly**



We have expanded our portfolio to include the local assembly of electric vehicles (EVs), with **Simba Corporation** committing to invest **KES 1 billion (USD 7.7 million)** in a dedicated EV assembly line at AVA.

The investment will enhance local EV assembly capacity through specialized equipment, facility upgrades, and workforce development.

To date, the **EV assembly line employs 61 staff members, indirectly impacting 183 lives.** AVA has assembled **172 electric vehicles**, including the Henrey, Joylong, and BasiGo Ma3e models as well as **16 electric three-wheelers (tuk-tuks)** for Piaggio and GreenTech, and seven **electric buses** for BasiGo. , supporting the growth of clean mobility solutions in Kenya.



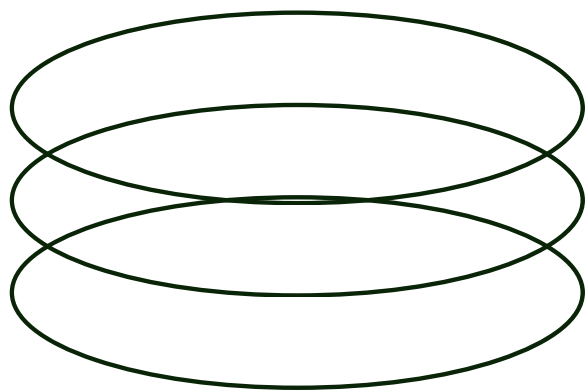
SPECIAL PROJECTS

AVA's Specialty Vehicles division delivers customized solutions including safari vehicle conversions and EV conversions, leveraging over 50 years of engineering expertise.

Specialty Vehicles exemplifies AVA's ability to adapt global standards to local challenges.

Every solution is engineered with the same world-class quality and technical excellence that global OEMs have trusted for decades.

EV conversions support lower emissions, extend vehicle lifecycles, and advance sustainable mobility.



MEMBERSHIPS AND PARTNERSHIPS

The Good Steward Foundation

OUR TEAM



IATF 16949 CERTIFICATION

In 2018, AVA was accredited with IATF 16949:2016, the globally recognized quality management standard for the automotive industry. The certification reinforces our commitment to product quality, safety, traceability, and continuous improvement, forming the foundation of our Quality Management System. To maintain this certification, AVA undergoes annual external audits to ensure continued compliance with the standard.



INDUSTRY ASSOCIATIONS AND NETWORKS

AVA actively participates in key industry associations to promote collaboration, skills development, and sustainable industrial growth. We have successfully implemented four cohorts under Kenya's National Dual TVET Programme, providing practical workplace training for young professionals. Through our leadership role in KAM's E-Mobility sector, we also contribute to policy discussions that support the growth of the automotive industry.



UNITED NATIONS GLOBAL COMPACT (UNGC) MEMBER

As a participant in the UN Global Compact, we align our operations and strategies with universal principles on human rights, labor, environment, and anti-corruption. This strengthens our role in advancing the Sustainable Development Goals (SDGs) and ensures accountability in corporate responsibility.

Integrating Sustainability Across Our Business



SUSTAINABILITY FRAMEWORK



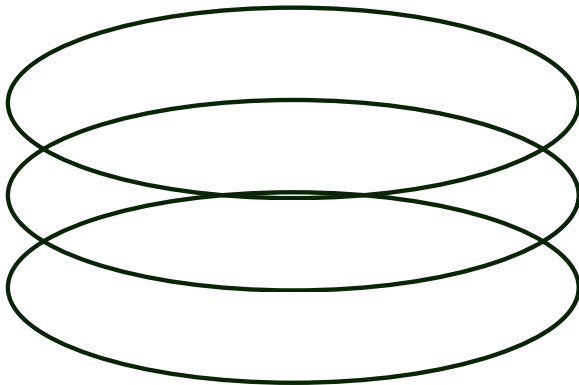
UNITED NATIONS GLOBAL COMPACT

UNGC Ten Principles

AVA is a committed participant of the United Nations Global Compact since 30 July 2024 and we have integrated its Ten Principles into our core strategies, culture, and day-to-day operations.

UNGC SDGs

Our sustainability framework is anchored on the four key areas championed by the UNGC — Human Rights, Labour, Environment, and Anti-Corruption — and is designed to align with and contribute meaningfully to the United Nations Sustainable Development Goals (SDGs).



MATERIAL TOPICS

Material Focus Areas	Material Topics	SDGs
Environmental Stewardship	- Sustainable Innovation & Job Creation. - Energy Efficiency and Management - Waste Compliance & Circularity.	   
Social Impact & Community Engagement	- Gender Diversity & Inclusion. - Community Support Initiatives - Human Rights Protection	     
Employee Welfare & Development	- Occupational Health & Safety - Training & Career Development	  
Ethics, Governance & Compliance	- Ethics & Anti-Corruption - Legal & Regulatory Compliance	 
Responsible Supply Chain & Human Rights	Supplier ESG Compliance	 

SUSTAINABILITY PERFORMANCE AT A GLANCE

Assembled **172 EVs, 16, 3-wheeler EV tuktuks & EV buses**. Created **61 new jobs indirectly impacting 183 lives**, and **avoided an estimated 492 tCO₂e annually**.

Achieved **18% female representation** across AVA's workforce.

Established a **centralised sustainability register** to track & monitor departmental sustainability initiatives.

Diverted 73% of waste from landfill through improved resource recovery.

Positively impacted **34,171 lives** through CSR initiatives.

Integrated sustainability initiatives into the company's long-term strategy.

Transitioned to glass bottles, with **17% of water packaging** in sustainable glass bottles.

Achieved **100% provision of PPE** for employees.

Introduced an **ESG supplier checklist & Supplier Code of Conduct** to promote responsible & ethical sourcing.



ENVIRONMENTAL PROGRESS



Material Focus Areas	Material Topics	SDGs
Environmental Stewardship	- Sustainable Innovation & Job Creation. - Energy Efficiency and Management - Waste Compliance & Circularity.	   



EV Assembly Expansion

Assembled **172 EVs**, created **61 new jobs indirectly impacting 183 lives**, and avoided an estimated **492 tCO₂e** annually.



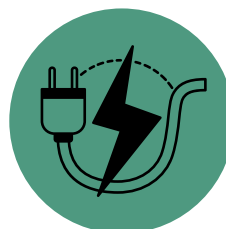
Circular Waste Management

Diverted 73% of waste from landfill through improved resource recovery.



Sustainable Packaging

Transitioned to glass bottles, with **17%** of water packaging in sustainable glass bottles.



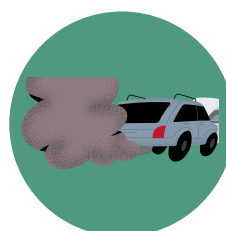
Powering Efficiency

Repaired **25% of identified energy leaks**, improving energy efficiency and reducing losses.



Certified for Excellence

Successfully **renewed IATF 16949 certification**, reinforcing sustainable and quality-driven production.



ICE Conversion to EV

Converted **3 ICE Safari vehicles to EVs** for Tembo EVL, advancing vehicle electrification.

EV ASSEMBLY

We have expanded our portfolio to include the local assembly of EVs and our facility has been upgraded to accommodate EV-specific assembly lines, including battery system handling, high-voltage safety protocols, and charging interface installation.

Our achievements during the year include:

- **172 electric vehicles assembled**, supporting the growth of low-emission transport solutions in Kenya.
- **61 new jobs created indirectly impacting 183 lives**, contributing to green employment and the development of specialised technical skills within the automotive sector.
- **An estimated 492 tCO₂e of annual emissions avoided**, through the deployment of electric vehicles that replace conventional internal combustion engine (ICE) vehicles.

The move into EV assembly is not only aligned with global automotive trends but also supports national goals such as the Kenya Electric Mobility Programme and the National Climate Change Action Plan.



LOCAL ASSEMBLY

SUSTAINABLE TRANSPORT

AVA is proud to partner with pioneering electric mobility companies that are transforming transportation across Kenya.

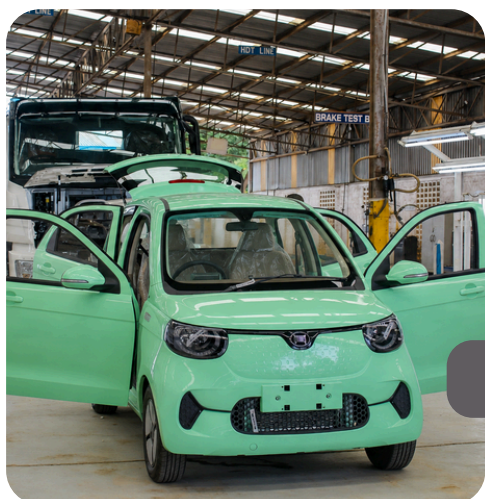
BASIGO

AVA assembles electric passenger vehicles Ma3e for BasiGo, supporting the decarbonisation of Kenya's public transport sector. By enabling local assembly of electric passenger vehicles, AVA contributes to reducing transport emissions while strengthening local manufacturing capabilities and supporting sustainable public mobility.



RIDEENCE

AVA assembles Rideence's electric vehicles, supporting the growth of clean urban mobility solutions. These vehicles offer efficient, zero-emission transportation alternatives while demonstrating the commercial viability of electric mobility in the Kenyan market.



WHY LOCAL ASSEMBLY MATTERS

Through local assembly, AVA contributes to:

Job Creation

Industrial Growth

Technology Transfer

Economic Growth

BENEFITS OF ELECTRIC VEHICLES

ENVIRONMENTAL

01

Zero tailpipe emissions, contributing to improved air quality.

02

Reduced noise pollution in urban environments.

03

Lower dependence on fossil fuels, supporting Kenya's clean energy transition.

SOCIAL

04

Creation of green jobs across the EV value chain.

05

Improved public health through reduced air pollution.

06

Support for Kenya's Vision 2030 and National Climate Change Action Plan objectives.

ECONOMIC

07

Lower operating and maintenance costs compared to conventional internal combustion engine vehicles.

08

Reduced fuel import dependency, strengthening national energy security.

09

Increased investment in green industries and emerging technologies.



ENERGY EFFICIENCY & MANAGEMENT

Improving energy efficiency remains a key priority in AVA's sustainability journey. During the reporting period, the Company commissioned a **comprehensive energy audit** to establish an energy baseline, identify major energy users, quantify greenhouse gas (GHG) emissions, and recommend practical opportunities for improving operational efficiency.

The audit assessed key operational areas including the paint shop, power rooms, compressed air systems, lighting, air conditioning systems, electrical appliances, and major production equipment. Parameters such as electricity consumption, motor efficiency, compressed air leakages, voltage quality, and equipment performance were evaluated to identify opportunities for energy optimization.

Facility Primary Data Collection Description

Section	Audited Systems	Data Collected/Measured Parameters
The Paint Shop	Power Quality	Power, Energy, pf, THDs, Voltage, Current
	Motors, Pumps, Ovens, Fans	Rated Power, Current, Voltage, Temperature
The Power Rooms	Power	Power, Energy, pf, THDs, Voltage, Current
Plant Area	Compressed Air Systems	Compressor Type, Compressor Power Rating, Air Pressure Required, Distribution System, Leakages
Office Blocks, Stores	Lighting Systems	Type, Quantity, Wattage, Lighting hours
	AC Systems	AC Type, Cooling Capacity, Rated Power, Set Temperature, Refrigerant Type, Number
	Electrical Appliances	Rated power, Quantity

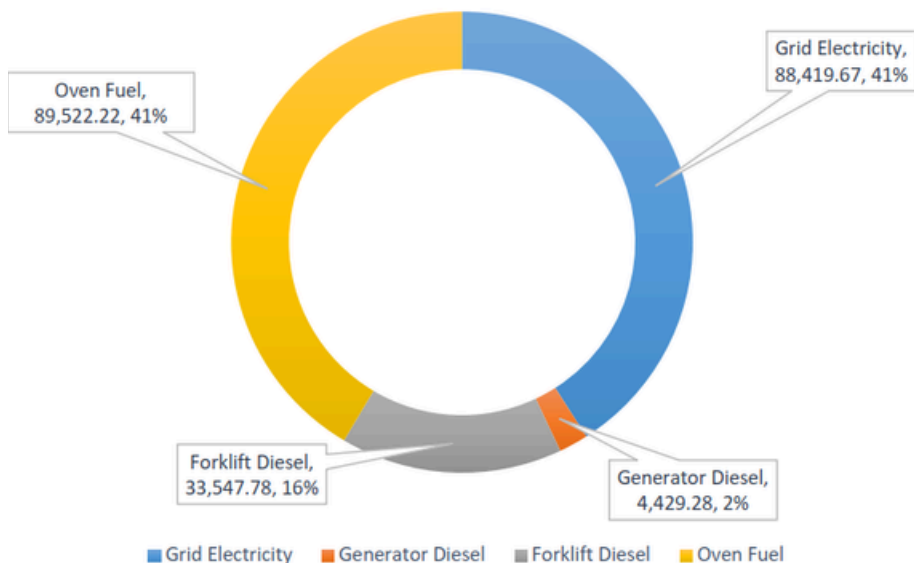
ENERGY CONSUMPTION PROFILE

The assessment established a **monthly average energy consumption of 215,918.95 kWh.**

Monthly Average Baseline Energy Data

Energy Source	Facility Section	Consumption		Primary Energy	Thermal Energy	Electrical Energy
		Unit	Value	kWh	kWh	kWh
Grid Electricity	+	kWh	88,419.67	88,419.67	-	88,419.67
Diesel (Generator)	+	L	413.33	4,429.28	-	1,273.42
Diesel (Forklift)		L	3,130.63	33,547.78	-	-
Fuel Blend (Ovens)		L	8,400.00	89,522.22	89,522.22	-
TOTAL				215,918.95	89,522.22	89,693.09

Primary Energy End-Use (kWh)



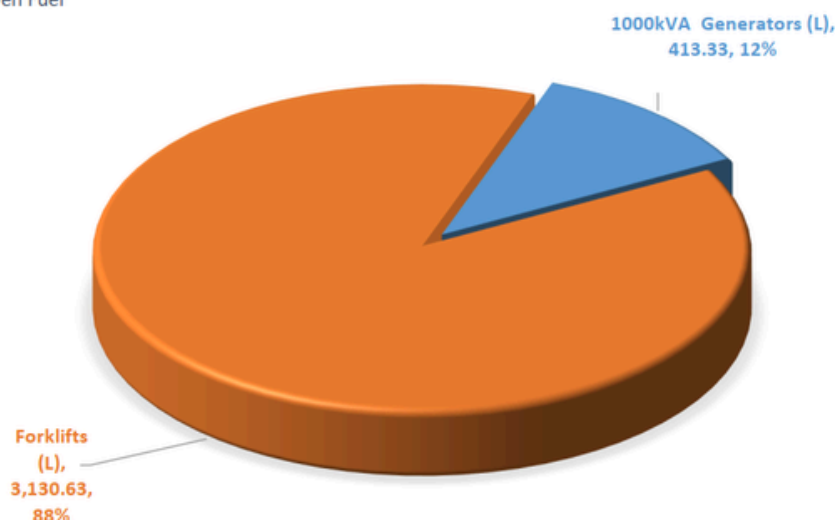
The Company's primary energy demand is largely driven by two sources:

- **Oven fuel: 89,522 kWh (41%)**
- **Grid electricity: 88,420 kWh (41%)**

Diesel-powered forklifts account for **16%** of primary energy consumption, while standby **generators** contribute only **2%**, demonstrating minimal reliance on backup power.

The audit further showed that **88% of diesel fuel** consumption is attributed to **forklift operations**, highlighting fleet operations as a key opportunity for future energy efficiency improvements.

DIESEL FUEL END-USE



GREENHOUSE GAS EMISSIONS

The energy audit established **AVA's baseline carbon footprint at 2,260.01 tCO₂e**.

- **Scope 1 emissions: 1,209.50 tCO₂e (53%)**
- **Scope 2 emissions: 1,050.50 tCO₂e (47%)**

The largest contributors to direct emissions were stationary combustion from production ovens and diesel fleet operations, while purchased electricity represented the largest indirect emission source.

Emission Summary Table

Scope	Category	Emission Source	AVA (tCO ₂ e)
SCOPE 1	Mobile Combustion	Mobile Equipment – Forklifts (Diesel)	207.03
		Mobile Equipment – Fleet (Diesel)	322.66
	Stationary Combustion	Stationary Equipment – Ovens	649.13
		Stationary Equipment - Generators	27.33
	Fugitive Emissions	Refrigerants	3.35
TOTAL SCOPE I			1,209.50
SCOPE 2	Electricity	Electricity	1,050.49
TOTAL SCOPE II			1050.50

CONTINUOUS IMPROVEMENT

Following completion of the energy audit, AVA commenced implementation of the recommended energy conservation initiatives. During the reporting period, **AVA successfully repaired 25% of the identified energy leaks**, improving system efficiency and reducing avoidable energy losses across operations.

The audit findings now serve as the Company's energy baseline and will guide future investments in energy optimization, equipment efficiency, preventive maintenance, compressed air management, and greenhouse gas reduction initiatives. Progress against these opportunities will continue to be monitored as part of AVA's commitment to responsible energy management and continual environmental improvement.

EXISTING ENERGY EFFICIENCY INITIATIVES

The energy audit recognized several **energy conservation** measures that have **already been implemented** across AVA's operations.

These energy and cost saving measures include:

❖ **Daylighting by use of skylights:** Natural daylight is utilized in the body shop, paint shop, assembly lines and End-of-Line (EOL) areas through the **installation of clear polycarbonate roof sheets**. This reduces reliance on artificial lighting during daylight hours and lowers electricity consumption.

❖ **Switch-Off Policy:** AVA has made effort to create **awareness on switch off policy** for lights and equipment within the office and production areas.

❖ **LED lighting:** Approximately **87% of lighting fixtures** have been **converted to** energy-efficient **LED technology, representing 69% of the installed lighting load**. The transition has significantly reduced electricity demand while improving lighting quality and reducing maintenance requirements.

❖ **Power Factor Correction (PFC) Units:** To improve electrical efficiency and reduce power losses, AVA has **installed 600 kVAr of Power Factor Correction capacity** on the main electrical supply, **complemented by two dedicated 100 kVAr PFC banks** serving the spot-welding machines. These systems help maintain an optimal power factor and improve the overall efficiency of the electrical network.

❖ **Variable Speed Drive (VSD):** AVA has **invested in** an Atlas Copco **Variable Speed Drive compressor** designed to automatically match compressed air supply with operational demand, reducing energy consumption.

❖ **Inverter Based AC Units:** AVA has **installed** several **inverter AC units** which conserve energy by employing variable speed compressors.



**Power Factor Correction Unit –
Mains**



**Daylighting via Clear Polycarbonate
Sheets**

WASTE COMPLIANCE & CIRCULARITY

CIRCULAR WASTE MANAGEMENT

AVA is committed to advancing a circular economy by maximizing resource recovery and minimizing waste sent to landfill. During the reporting period, **73% of waste generated** across the facility **was successfully diverted from landfill** through recycling, resale, donation, and recovery initiatives, supporting both environmental stewardship and efficient resource utilization.



73% of waste generated diverted from landfill

Majority of AVA's **waste is generated from Completely Knocked Down (CKD)** vehicle kits received from OEMs. These packaging materials include **scrap metal, polythene, cartons, plywood, drums, and waste wood**.

AVA diverts **key waste** streams through approved licensed disposers. Scrap metal, plywood, drums and electronic waste **are resold for reuse**, while polythene and carton packaging are **recycled through licensed recyclers**. Waste wood is **donated for use** as firewood, and organic waste from staff meals is collected by an approved vendor .

Hazardous waste, office waste, and general organic waste are not yet diverted from landfill, AVA continues to explore sustainable solutions to further improve waste recovery and increase its diversion rate in line with its environmental objectives.

Waste	Diverted	Waste	Not Diverted
• Scrap Metal • Plywood • Polythene • Carton • Drums • E-Waste • Waste wood • Organic Lunch waste	• Resale • Resale • Recycled • Recycled • Resale • Resale • Donated • Vendor	• Hazardous • Office Waste • General Organic Waste	• Landfill • Landfill • Landfill

TRANSITION FROM PLASTIC TO GLASS BOTTLES

AVA has commenced the **transition from single-use plastic water bottles to refillable glass bottles in April 2026**. This initiative supports AVA's environmental objectives by minimizing plastic consumption, encouraging reusable packaging, and strengthening a culture of responsible consumption across the workplace.

During the first quarter of implementation, **17% of all water cartons purchased were glass bottled water**, marking the beginning of the Company's phased transition. Once fully implemented, the initiative is expected to replace approximately **10,080 plastic bottles annually**, eliminating an estimated **840 plastic bottles every month** from the workplace. Given that plastic bottles can take up to **400 years to decompose**, the transition will contribute significantly to reducing long-term environmental pollution and plastic waste.

AVA recognizes this as a **strategic investment in environmental sustainability**, demonstrating that long-term environmental benefits and responsible business practices outweigh the additional short-term costs.

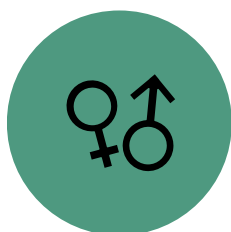


*17% Water
Bottles Carton
Purchased*

SOCIAL PROGRESS



Material Focus Areas	Material Topics	SDGs
Social Impact & Community Engagement	- Gender Diversity & Inclusion. - Community Support Initiatives - Human Rights Protection	
Employee Welfare & Development	- Occupational Health & Safety - Training & Career Development	



Gender Equality

Achieved **18% female representation** across AVA's workforce.



Community Impact

Positively **impacted 34,171 lives** through CSR initiatives.



Personal Protective Equipment (PPE)

Achieved **100% provision of PPE** for employees.



Sustainability Awareness

Trained 25% of employees on sustainability awareness.



AVA Academy

Onboarded **40 interns and attachés** on a quarterly basis to support skills development and talent growth



Making Waves

Engaged **720 women** through the **Making Waves Initiative** stakeholder engagement program.



**OUR
PEOPLE**

WORKFORCE PROFILE

Our people are the driving force behind AVA's continued success and growth. AVA has employed a total workforce of **465 employees**, comprising **389 permanent employees** and **76 contractors**, enabling the Company to maintain operational flexibility while supporting business continuity and customer requirements.

Women represent 18% of the workforce, reflecting our continued commitment to building a more diverse and inclusive workplace. AVA maintained a **98% employee retention rate** and a low **2% attrition rate**, demonstrating a stable workforce and our commitment to attracting and retaining skilled talent.

PEOPLE OVERVIEW

Headcount | Contractors | Attrition

HEAD COUNT — 465

389

Permanent Employees

381

Male (82%)

84

Fem (18%)

76

Contractors

2%

Attrition YTD

98%

Retention
Rate

AVA remains on track towards its **2030 target of achieving 30% female workforce** representation, with women currently accounting for **18% of our total workforce**. We continue to promote inclusive recruitment, development, and career advancement opportunities to strengthen gender diversity across the organisation.



18% Women Representation at AVA

EMPLOYEE ENGAGEMENT

At AVA, we recognise that an engaged workforce is essential to building a high-performing and inclusive workplace. Throughout the year, we organise **monthly employee engagement** activities that promote teamwork, wellbeing, diversity, and a positive organisational culture. These initiatives provide opportunities for employees to connect beyond the workplace, celebrate milestones, and support their physical and mental wellbeing.

To measure employee sentiment and identify opportunities for improvement, AVA conducts an **Employee Net Promoter Score (eNPS) survey** on a quarterly basis. The survey provides valuable insights into employee experience and enables management to implement targeted actions that strengthen engagement and workplace satisfaction.



- Monthly engagement initiatives continue to strengthen employee wellbeing, inclusion, and workplace culture.
- Quarterly eNPS surveys provide a structured mechanism for listening to employee feedback and driving continuous improvement.
- We have observed the eNPS score improve during the reporting period, demonstrating the positive influence of employee-focused initiatives.

EMPLOYEE ENGAGEMENT INITIATIVES

Initiative	Impact
AVA@50 Celebration	Celebrated AVA's 50-year milestone, strengthening employee pride, recognition, and organisational culture.
Health Walk	Promoted physical wellbeing, healthy lifestyles, and team bonding.
Cultural Day	Celebrated diversity and fostered an inclusive workplace where employees could share and appreciate different cultures.
Secret Santa	Encouraged camaraderie, appreciation, and positive workplace relationships during the festive season.
Valentine's Day Raffle	Five employees won romantic dinner experiences, while group meal vouchers promoted appreciation and employee morale.
Women's Mental Health Talk	Raised awareness of women's health issues and encouraged preventive healthcare and wellbeing.
Men's Mental Health Talk	Promoted mental health awareness, reduced stigma, and encouraged employees to seek support when needed.
Jersey Thursday	Created an informal and enjoyable work environment that strengthened team spirit and employee engagement.



AVA Cultural day



AVA @50 Celebrations



AVA Women's Mental Health Talk



AVA Men's Mental Health Talk



Jersey Thursday



Secret Santa



AVA Health Walk



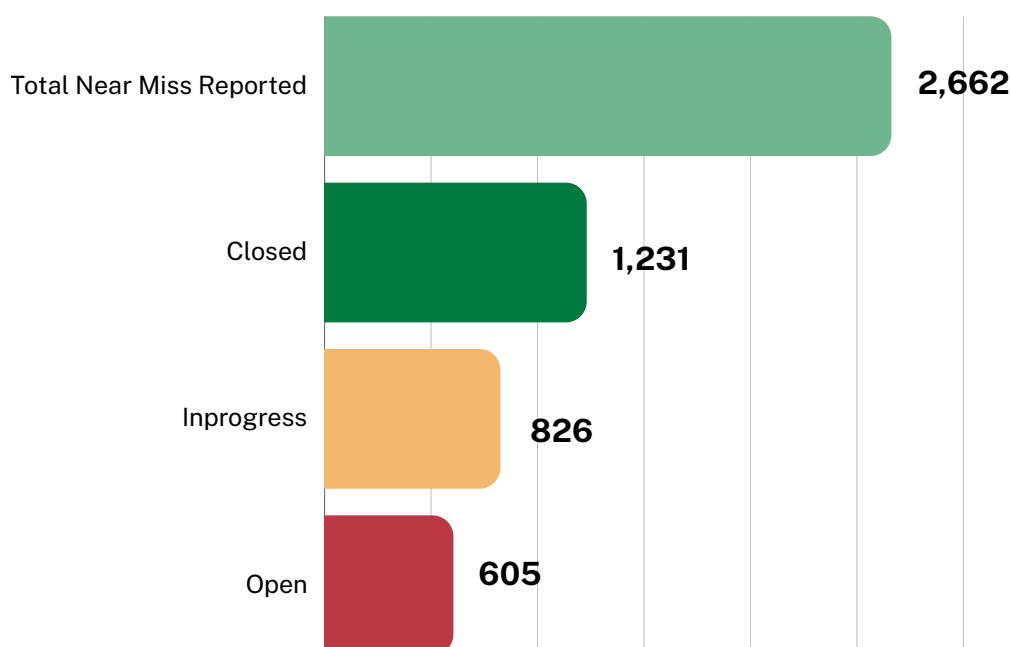
Valentine's Day Raffle

EMPLOYEE WELLBEING

OCCUPATIONAL HEALTH AND SAFETY

At AVA, our approach to occupational health and safety is guided by the Hierarchy of Controls, focusing on **preventing hazards** as well as relying on personal protective equipment (**PPE**). Workplace risks are proactively identified through a robust **hazard spotting** and a **near-miss reporting programme**, enabling timely investigation, corrective actions, and continuous improvement.

Our Technical Services Department (TSD) supports this approach through a structured **preventive maintenance programme**, ensuring equipment is regularly inspected, maintained, and repaired to minimise potential hazards. Reported near misses are investigated promptly, with corrective and preventive actions implemented to eliminate or reduce risks at their source



For the year 2025, **2,662** near miss were reported with **46% closed**, **31% in progress** and **23% open**.

AVA maintains a comprehensive **PPE Matrix** which defines the required protective equipment for every workstation based on the associated risks. PPE issuance is formally recorded, monitored, and replaced as required to ensure employees remain adequately protected throughout their work. As a result of this, AVA has achieved **100% provision of appropriate PPE** to employees. We continue to reinforce **PPE compliance** through regular awareness, supervision, and monitoring, recognising PPE as the final layer of protection in safeguarding our workforce.

EMPLOYEE NUTRITION PROGRAMME

AVA provides employees with nutritious meals throughout the workday, including **morning tea, lunch, and evening tea** for employees working overtime. This programme supports employee wellbeing by promoting proper nutrition, enhancing productivity, and ensuring employees remain energized during extended working hours.

EMPLOYEE HEALTH AND WELLNESS

AVA has an **onsite dispensary** staffed by a **licensed medical practitioner**, complemented by **comprehensive medical insurance cover** for employees. We also conduct **annual statutory health examinations** to monitor employee wellbeing, promote early detection of health concerns, and ensure compliance with occupational health requirements.

NURSING ROOM FOR NEW MOTHERS

AVA provides a **dedicated nursing room** for breastfeeding mothers, equipped with a refrigerator for the safe storage of expressed breast milk. This facility supports new mothers in balancing their work and family responsibilities, fostering an inclusive workplace that promotes maternal health and employee wellbeing.

FLEXIBLE WORKING ARRANGEMENTS

AVA promotes work-life balance through **flexible working arrangements** and **reasonable working hours** that support employee wellbeing while meeting operational needs. This approach enables employees to better manage their personal and professional responsibilities, contributing to higher job satisfaction, productivity, and overall wellbeing.



DECENT WORK AND ECONOMIC GROWTH

AVA contributes to SDG 8 by creating decent work opportunities, maintaining safe and healthy workplaces, investing in employee capability development, and supporting Kenya's manufacturing sector through local vehicle assembly. Our commitment to fair employment practices, continuous skills development, productivity improvement, and responsible business operations enables us to create sustainable economic value for employees, suppliers, customers, and the communities in which we operate.

Specifically, we contribute through:

*Building Decent
Work, Driving
Sustainable
Growth*



Decent Employment

- Providing stable employment opportunities for over 400 employees
- Promoting fair labour practices and constructive industrial relations e.g. through disciplinary hearings
- Ensuring compliance with Kenyan labour laws and collective bargaining agreements

Safe and Healthy Workplaces

- Strong focus on occupational health and safety – toolbox talks, provision of PPE, workplace audits (OSH, Air and Noise Pollution, etc)
- Safety training, hazard reporting, incident investigations and continuous improvement.
- Investment in employee wellbeing and medical services e.g. through our partnership with Amani counselling, utilization of panel providers within our medical cover etc.

Skills Development

- Continuous technical and leadership training
- Graduate, apprenticeship and TVET partnerships
- Building future skills in vehicle assembly and emerging technologies, including electric vehicles

Inclusive Economic Growth

- Creating multiplier effects through indirect employment and local procurement

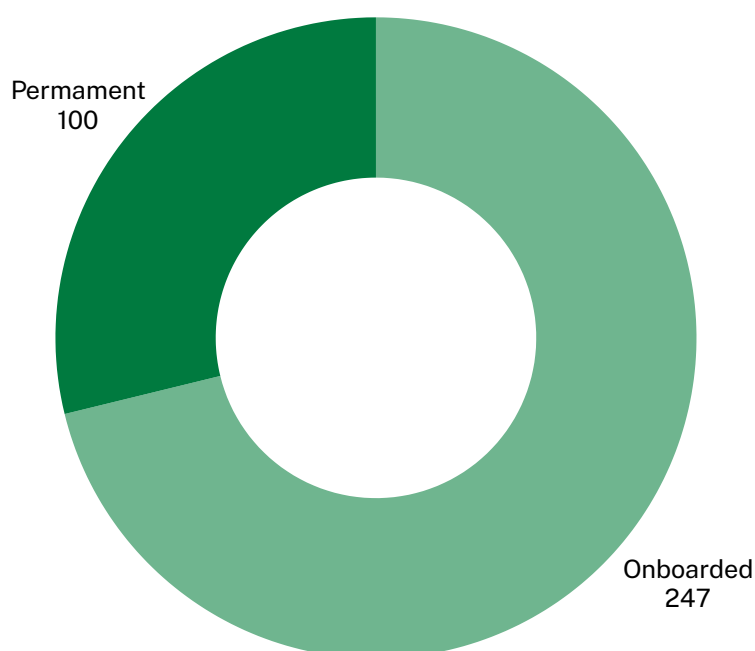
Productivity and Innovation

- Performance management systems that enhance productivity while developing employees

AVA ACADEMY

As part of our commitment to **SDG 4 – Quality Education** and **SDG 8 – Decent Work and Economic Growth**, AVA Academy continues to bridge the gap between education and industry by equipping young professionals with practical skills and workplace experience. The programme provides structured internship and industrial attachment opportunities, supporting the development of Kenya's future workforce.

Between June 2025 and June 2026, AVA onboarded **40** interns and industrial attachées, with new cohorts joining every quarter as part of our ongoing talent development programme. Since its inception in 2022, AVA Academy has trained over **247 students**, with **100** participants securing **permanent employment** at AVA, demonstrating the programme's success in creating meaningful career pathways and supporting youth employability.



SUSTAINABILITY AWARENESS TRAINING

AVA is committed to build an informed workforce to support AVA's long-term sustainability goals. **25% of our workforce** completed sustainability awareness training, embedding sustainability into the organisational culture by equipping employees with the knowledge and skills to support responsible business practices. Through our sustainability awareness programme, employees are introduced to key environmental, social, and governance (ESG) principles, enabling them to contribute to AVA's sustainability objectives in their respective roles.

We are progressively expanding the programme to reach all employees, strengthening sustainability literacy and fostering a culture of shared responsibility across the organisation.



OUR COMMUNITY

COMMUNITY INVESTMENT

At AVA, we believe that creating sustainable value extends beyond our operations into the communities we serve. During the reporting period, our community initiatives focused on strengthening access to education, promoting public health, improving road safety, and empowering vulnerable groups across Mombasa County impacting **31,418 lives**.

EDUCATION SUPPORT

CHRIST THE KING SCHOOL

AVA continued its long-standing partnership with Christ the King School by providing **quarterly firewood donations**, enabling the school to prepare daily lunch and break meals for learners. This contribution supports student nutrition and creates an enabling learning environment for approximately **500 students**.

MAGANDA PRIMARY SCHOOL

On 1 August 2025, AVA donated **34 tables and 68 benches** to the **Early Childhood Development Education (ECDE)** section at Maganda Primary School. The donation improved classroom infrastructure, creating a more conducive learning environment for **204 learners**.



EDUCATION SUPPORT

MIRITINI PRIMARY SCHOOL

AVA undertook a comprehensive school improvement project at Miritini Primary School, demonstrating our commitment to quality education. The initiative included **repainting the entire school, constructing 25 desks**, installing lockers, **providing art supplies**, and improving sanitation facilities through the **installation of plastic taps and plumbing works**.

These improvements enhanced the learning environment and supported the wellbeing of **1,989 students**.



INTERNATIONAL LITERACY DAY

To support International Literacy Day celebrations, AVA **donated 10 cartons of drinking water** to adult learning programmes, recognising **45 women** entrepreneurs who completed digital skills training to enhance their economic opportunities and participation in the digital economy, demonstrating our commitment to lifelong learning and community education.



COMMUNITY HEALTHCARE

PORT REITZ HOSPITAL – MATERNITY WARD

Inline with International's Women Day, AVA donated **200 baby shawls** and **1,500 diapers** to the Port Reitz Hospital **Maternity Ward** to improve maternal and newborn care. Given the hospital's high demand for diapers, the donation provided meaningful support to mothers and healthcare workers while enhancing patient comfort and care.

Approximately **425 mothers** benefited from the initiative.



VIKOBANI DISPENSARY

To improve patient comfort and service delivery, AVA donated **three waiting benches** and installed **two storage shelves** at Vikobani Dispensary. These improvements enhanced the healthcare environment for a facility serving a **catchment population of over 10,000** people, with an **estimated 11,423 patients** benefiting during the reporting period.



PROMOTING ROAD SAFETY

Road safety remains an important priority for AVA as a responsible mobility stakeholder.

NATIONAL TRANSPORT AND SAFETY AUTHORITY (NTSA)

To commemorate the **World Day of Remembrance for Road Crash Victims**, AVA donated **20 cartons of drinking water** to NTSA to support approximately **1,000 participants**, who were walking to remember the millions of people injured and killed in road crashes, reinforcing awareness of road safety and remembrance of lives affected by road traffic incidents.

JOMVU COMMUNITY FOUNDATION ROAD SAFETY CAMPAIGN (JCF)

AVA partnered with the Jomvu Community Foundation (JCF) to sponsor the **Road Safety Awareness Campaign**, supporting safety workshops, community outreach activities, Safety Champion Awards, and branded awareness materials.

The initiative equipped **riders, drivers, community leaders**, and **enforcement officers** with practical road safety knowledge while strengthening collaboration across the transport ecosystem. Through **community outreach, radio discussions, social media campaigns**, and the **flagship Walkathon**, the campaign reached over **15,000 people**.



MAKING WAVES INITIATIVE

Making Waves is AVA's initiative aimed at **empowering women in the Blue Economy** through entrepreneurship. The programme provides women with business equipment, practical training, mentorship, and access to sustainable business opportunities using the **Build, Operate, Train, and Transfer (BOTT) model**. This structured 6-month approach equips participants with the skills and resources needed to build resilient businesses, promote financial independence, and contribute to a more inclusive and sustainable Blue Economy.



MAKING WAVES INITIATIVE – INTERNATIONAL WOMEN'S DAY

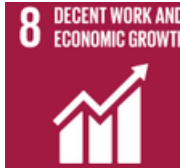
As part of the Making Waves Initiative, **AVA partnered with Jomvu Women in Fishing Cooperative, Equity Afya, and Equity Bank** to commemorate International Women's Day by promoting women's health, financial inclusion, and sustainable livelihoods within the Blue Economy.

The programme provided **medical check-ups, health consultations, financial literacy training, and product sensitisation**, supporting **61 women** while promoting economic empowerment and environmental stewardship.



GOVERNANCE PROGRESS



Material Focus Areas	Material Topics	SDGs
Ethics, Governance & Compliance	• Ethics & Anti-Corruption • Legal & Regulatory Compliance	 
Responsible Supply Chain & Human Rights	• Supplier ESG Compliance	 



Sustainability Register

Established a **centralised sustainability register** to track & monitor departmental sustainability initiatives.



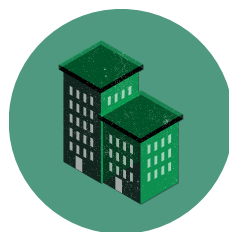
Centralised Compliance Tracker

Established a **compliance tracker** to monitor business & statutory requirements.



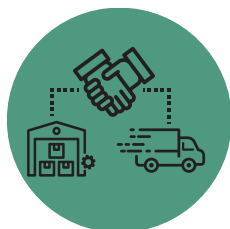
Sustainability Integration

Integrated sustainability initiatives into the company's long-term strategy.



Whistleblowing Mechanism

Maintained a **confidential whistleblowing channel** to encourage ethical reporting.



Sustainable Supply Chains

Introduced an **ESG supplier checklist & Supplier Code of Conduct** to promote responsible & ethical sourcing.



UNGC Commitment

Renewed our Subscription UNGC, reaffirming AVA's commitment to responsible and sustainable business practices.

GOVERNANCE

Initiative	Description	Impact
Sustainability Register	Established a centralised register to track and monitor departmental sustainability initiatives and ESG performance.	Improved governance, accountability, and monitoring of sustainability initiatives across the organisation.
Sustainability Integration	Integrated sustainability considerations into the Company's long-term strategy and business planning processes.	Enhanced strategic decision-making and long-term value creation through embedded ESG principles
UNGC Commitment	Renewed participation in the UNGC, reaffirming commitment to the Ten Principles and responsible business practices.	Reaffirmed AVA's commitment to globally recognised sustainability principles, and responsible business practices.
Sustainable Supply Chains	Introduced an ESG Supplier Checklist and Supplier Code of Conduct to strengthen ethical, responsible, and sustainable sourcing.	Enhanced responsible sourcing by embedding ESG considerations into supplier selection, improving supplier accountability and supply chain resilience.
Centralised Compliance Tracker	Established a structured system to monitor business and statutory compliance obligations, improving oversight and regulatory compliance.	Improved oversight of statutory and business compliance obligations, enabling timely compliance, enhanced accountability, and reduced regulatory risk.
Whistleblowing Mechanism	Maintained a confidential reporting channel to encourage ethical reporting, strengthen accountability, and support good corporate governance.	Fostered a culture of integrity and transparency by providing a confidential reporting channel for ethical concerns and potential misconduct.
Grievance Handling Procedure	Introduced a formal grievance handling procedure to provide employees with a structured, confidential, and fair process for raising workplace concerns	Strengthened employee trust, promoted fair resolution of workplace issues, and enhanced a positive and inclusive work environment.

GRI CONTENT INDEX

This Sustainability Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards. The report covers the period 2025/2026 and includes disclosures based on our material topics, as identified through stakeholder engagement and strategic sustainability assessments. Where applicable, we have aligned our reporting with relevant GRI Topic Standards and SDGs particularly those where AVA can make the most significant contributions.

GRI Standard	Disclosure	Description	Section Reference
GRI 2: General Disclosures 2021	• 2-1	• Organizational details	• About AVA
	• 2-2	• Entities included in the organization's sustainability reporting	• About AVA
	• 2-3	• Reporting period, frequency and contact point	• Introduction
	• 2-6	• Activities, value chain, and other business relationships	• About AVA
GRI 2: General Disclosures 2021	• 2-7	• Employees	• Social Progress
	• 2-9	• Governance structure and composition	• Governance Progress
	• 2-22	• Statement on sustainable development strategy	• Message from the MD
Material Topics	• 305-5	• Reduction of GHG emissions	• Energy Efficiency and Management
	• 302-1	• Energy consumption within the organization	• Energy Efficiency and Management
	• 306-2	• Waste by type and disposal method	• Waste Compliance & Circularity

GRI Standard	Disclosure	Description	Section Reference
Material Topics	• 203-2	• Significant indirect economic impacts (e.g., EV innovation, job creation)	• Environmental Progress
	• 405-1	• Diversity in governance bodies and workforce	• Social Progress
	• 403-9	• Work-related injuries	• Occupational Health & Safety
	• 414-1	• Screening of suppliers for social impacts	• Supplier ESG Compliance
	• 308-1	• Suppliers screened for environmental criteria	• Supplier ESG Compliance
	• 419-1	• Non-compliance with laws and regulations	• Governance Progress
Material Topics	• 205-2	• Communication and training on anti-corruption	• Governance Progress
	• 413-1	• Operations with local community engagement	• Community Support Initiatives



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