



TABLE OF CONTENTS

	Our Targets.....	2
	Who We Are.....	2
	Our Commitment.....	3
	Summary.....	3
	Net Zero Journey.....	4
	Environment and Social Policy.....	7
	Energy.....	10
	Waste.....	12
	Water.....	13
	Tree Growing.....	14
	Health and Wellbeing.....	16
	Education.....	18

Our Targets



2025
Net Zero



2025
40% Grid energy
consumption reduction



2025
20% Water
usage reduction



2025
Zero waste to
landfill



80%+
Survival of
trees planted



Who We Are

Kampala Pharmaceutical Industries (1996) Limited (KPI) is the largest pharmaceutical manufacturer in Uganda with approximately 350 employees. The factory is centrally located in the capital city, Kampala, where we supply our products to all parts of the country and export to the East African region.

We are manufacturers of essentials quality medicines in a range of therapeutic areas with a special emphasis on malaria which is a major contributor to the burden of diseases in East Africa. The company has a range of over 70 registered products in Uganda and we export some products to East Africa region.

KPI is a part of the Industrial Promotion Services (IPS) group which is the infrastructure and industrial development arm of the Aga Khan Fund for Economic Development (AKFED) – a development agency promoting entrepreneurship and economically sound enterprises in Sub-Saharan Africa and Central and Southern Asia. AKFED is an affiliate of Aga Khan Development Network (AKDN).

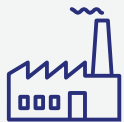


Our Commitment

The Company is fully committed to operating in a socially, environmentally, and economically responsible manner, aligning the company's impact with the United Nations (UN) Sustainable Development Goals. Adequate resources have been put in our budgets to facilitate meeting the commitments.



Summary 2022-2023



13%

Emission reduction
scope 1



4%

Emission reduction
scope 2



13%

Total emission
reduction



17%

Water usage



48%

Waste diverted
from landfill (%)



85%

survival rate of trees
planted in 2022



14%

Grid energy
consumption





Net Zero Journey

13 CLIMATE ACTION



15 LIFE ON LAND



Our Commitment

The company commenced the Net Zero Journey in 2021 which is the baseline year. We engaged technical consultants, One Carbon World (OCW) to assess Green House Gas (GHG) emissions from KPI.

The decarbonisation plan aims to highlight the mitigation actions KPI will undertake to further reduce emissions from its operations, to achieve Net Zero by 2025. This decarbonisation plan is guided by the overarching principles of the AKDN Environment and Climate Commitment (ECC) statement, including:



Responsible stewardship of the environment, ensuring that the earth can sustainably support future generations.



Demonstrating proactive, socially responsible, and values-oriented leadership on the most urgent civilisational – even existential – issues of our time.



Focusing on improving the quality of life and wellbeing (broadly defined) of the poorest and most vulnerable, in geographies of strategic importance.



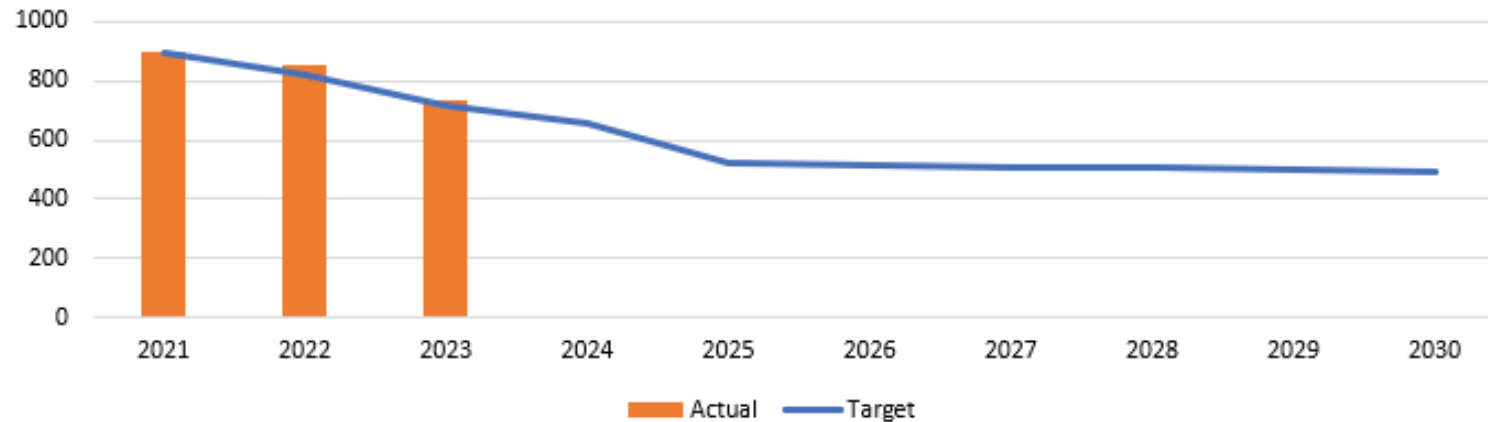
Leading by example, and sharing our experiences with others, to influence policies, raise awareness, increase impact, and effect social transformation.

The goal is to limit global temperature increase to **1.5** degrees centigrade above pre-industrial levels. This means achieving and maintaining Net Zero by reducing, in absolute terms, businesses' operational emissions that fall under scope 1 & 2 to as close to zero as possible by 2025, against a 2021 baseline, and thereafter, neutralising residual emissions from the atmosphere.

Target & Implementation Plan

To achieve the overall goal for the 1.5 pathway, we need to reduce emissions by 42% per year.

KPI - Target vs Projected Emissions by 2025



With the commencement of the journey, full-fledged sensitisation and awareness sessions have been conducted at various levels, to ensure all employees are aware of the expectations. These include energy management, zero waste to landfill through recycling of waste and re-use of waste material, recycling of water from other activities to washrooms and laundry area.

Offsetting carbon from the environment through tree growing.

KPI has been exploring the use of refrigerants with a lower Global Warming Potential (GWP), transitioning to environmentally friendly refrigerants, R-407C, while continuing to investigate better options.





Environmental and Social Policy



Our Commitment

At KPI we are committed to providing quality services in a manner that ensures a safe and healthy workplace environment for our employees and minimises our potential impact on the environment. We will operate in compliance with all relevant environmental legislation, and we will strive to use pollution prevention and environmental best practices in all we do.

We will:



Integrate the consideration of environmental concerns and impacts into all of our decision making and activities.



Promote environmental awareness among our employees and encourage them to work in an environmentally responsible manner.



Promote efficient use of materials and resources throughout our facility including water, electricity, raw materials, and other resources, particularly those that are non-renewable.



Where required by legislation or where significant health, safety or environmental hazards exist, we develop and maintain appropriate emergency and spill response programmes.



Communicate our environmental commitment to clients, customers, and the public and encourage them to support it.



Strive to continually improve our environmental performance and minimise the social impact and damage of activities by periodically reviewing our environmental policy.



Manage waste through the four R principles (Reduce, Re-use, Recovery, and Recycle). Re-use and recycle by purchasing recycled, recyclable, or re-furnished products and materials where these alternatives are available, economical, and suitable.



Purchase and use environmentally responsible products accordingly.



Avoid unnecessary use of hazardous materials and products, seek substitutions when feasible and take all reasonable steps to protect human health and the environment when such materials must be used, stored and disposed of.



Energy

7 AFFORDABLE AND
CLEAN ENERGY



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



Our Commitment

To reduce and optimise the use of energy in all our operations.

Our Target

To reduce grid energy consumption by **40%**.

Our Achievement

Electricity consumption in 2023 was improved by **13.8%** as compared to 2022 consumption as result of creating awareness amongst staff on energy management and the procurement of three new machines fthat increased production.

Fuel consumption reduced by **5.8%** in 2023 as compared to 2022. The difference of **2.19L/ton** has been achieved through boiler overhaul and insulation of steampipes.

Our Initiatives



Construction of a new IFC Edge Advanced building for KPI as we plan to transition to a green building by 2025.



Boiler overhaul and insulation of steam pipes.



Creating awareness on energy management measures amongst staff.



Waste

12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



15 LIFE
ON LAND



Our Commitment

Reduce waste in all our operations.

Our Target

Zero waste to landfill by 2025.

Our Initiatives

PFL has ensured waste segregation at source which entails sorting and separation of waste fractions using colour-coded and labelled waste bins to facilitate recycling and correct onward disposal, leading to a **48%** reduction in waste to landfill.

Carried out **2** sensitisation sessions on waste management for staff.

Working with licensed strategic waste handlers to ensure compliance with waste management legal requirements.

Water

6 CLEAN WATER
AND SANITATION



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



Our Commitment

To ensure that water is used sustainably and efficiently in all our operations.

Our Target

20% water reduction by 2025.

Our Achievement

Water usage improved by **20%** compared to 2022 values due to the initiatives below.

Our Initiatives

We practice Reverse Osmosis (RO) in our operations to reuse water and enhance water conservation.

Replacement of traditional taps with push button taps which are more water-saving as they have a controlled water stream which limits the water use.

Continuous trainings on water conservation to all our staff.





Tree Growing

13 CLIMATE ACTION



15 LIFE ON LAND



Our Commitment

To restore the ecosystem through the planting of trees.

Our Target

80%+ survival of trees planted.

Our Achievements

85% growth rate of the trees planted in 2022 at Kabaka Palace in Rubaga Division.

95% growth and survival rate of the trees planted in 2023 at Butabika hospital and school, Nakwawa Division.

Our Initiatives



In partnership with Kampala City Council Authority (KCCA) KPI planted and provided a total of **900** endangered tree species for planting and growing within the division of Kampala.



A tree growing exercise took place in Butabika Hospital and Butabika Recovery College.



Achieve a goal of planting **3,000** trees by the end of 2024.



Health and Wellbeing

3 GOOD HEALTH
AND WELL-BEING



Our Commitment

To empower our employees through our workplace wellness programme, which seeks to improve their health and wellbeing. Our heritage is in ensuring our employees are at their best to give the best to our esteemed customers.

Our Achievement

We have not registered any accidents in the year 2023 thus achieving our major objective of zero accidents at the workplace. Our total incident rate (TIR) was **0.0** as of 2023.

Our Initiatives

Wellness



KPI has a well-equipped and stocked clinic to cater for employees' health. This has assisted the company in reducing sick offs by **20%** thus increasing productivity.



The KPI clinic offers wellness services for staff through free medical check-ups, screening and counselling. **259** staff participated in the eye sight examination exercise, **295** staff attended the TB check-ups and **290** staff attended the annual checks for staff.

Safety



Training and empowerment of staff on Safe Systems of Work (SSoW), safety principles and Good Manufacturing Practices (GMP) were conducted. This improved performance leading to zero lost work day case.





Education

4 QUALITY EDUCATION



5 GENDER EQUALITY



Our Commitment

Empowering our staff on best practices to improve their personal development.

Our Achievements

A total number of **1462** employees were involved in various training, which accumulated **2321** man-hours of training.

Our Initiatives



Developed an annual internal and external training matrix based on the conducted Training Needs Assessment (TNA) that will address the skills gap and improve the training manhours.



In a company-wide initiative, staff at all levels participated in external training for professional development.



Sensitisation forums on environmental sustainability (water, waste management and energy conservation) were held throughout the year.

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