



SUSTAINABILITY REPORT 2019

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Message from the Management

As the management of Sprinktech Uganda Limited, we are very delighted to prepare our very first sustainability report as required in ensuring that Uganda achieves the UN Sustainable Development Goals by 2030. Sustainability basically means our social, economic and environmental responsibilities to the society we work in. We expanded the company this year (2019). Initially, Sprinktech Uganda Limited was run by a team of three people; however we doubled this to make it a team of six hardworking individuals. We also brought in new employees and opened up our head office in Kampala located at Suite 10 Penn Station 7th Street- Industrial Area and this has boosted the sale of some of our equipment such as generators which have a high demand in the urban areas as compared to the rural areas. Our clients in the central region can also easily access our team situated at our head office and this has increased the customer engagement, thus directly boosting our sales. In 2019, we also took up bigger projects as briefly explained in this report and this has greatly expanded our market share in Uganda.

At Sprinktech Uganda Limited, we are striving to be the market leaders, set trends, and also become experts in the industry we operate in. Our mission states that we aim “To be the leading provider of irrigation and water solutions while emphasizing customer satisfaction through timely and quality services” and that is the reason why we ensure that our equipment and services are of the highest quality to meet the customers’ needs. Due to the nature of our business, we always face legal risks and therefore we ensure at all times that we are on the right side of the law, acquire all the necessary trading certificates and licenses, and pay all taxes due to the responsible authorities such as URA, UNBS and URSB among others.

Finally, we would like to thank Uganda Manufacturers’ Association for providing us with a platform to prepare our very first sustainability report.

Thank you

ABAHO PIDSON

13March 2020

About Sprinktech

Sprinktech is a Ugandan incorporated company that specialises in water and irrigation systems. We deal in products imported from leading manufacturers whose quality and class has been proven over time. We are in the elite class of Uganda's leading irrigation and water pumping companies. We have served different customers ranging from individual farmers to large government departments and Non-Government Organisations.

Mission Statement

To be the leading provider of irrigation and water solutions while emphasising customer satisfaction through timely and quality services.

Vision

To be the leading provider of irrigation and water pumping solutions by emphasising customer satisfaction through innovative, high-quality products and services

Our Core Values

In order to achieve our vision and mission, we are guided by a set of values. These include:

Reliability: Our core purpose is to provide our esteemed customers with reliable water and irrigation services. We strive to treat every customer equally and respectfully fostering clarity, honesty and transparency to address their needs quickly and effectively.

Professionalism: Through our highly qualified and specialised staff, we strive to portray professionalism in our work, conduct, aims and qualities. We always exhibit honesty and integrity as we deal with our clients and other stakeholders.

Continuous Improvement: We always strive to 'better our best' so that we continuously improve the experience and satisfaction of our customers.

Inspiring and Innovative Solutions: We provide our customers with advanced solutions that will solve their challenges at a minimum cost.

Our products and services

Irrigation systems

Sprinktech Limited has staff who are trained in and exposed to the design and construction of irrigation systems. We also provide the products and materials required in these irrigation systems. These include water pumps, sprinklers, drip lines and all other plumbing materials required in installation of irrigation systems. We also carry out consultancy and training in these systems. Our end-to-end irrigation services include:

- Irrigation consultancy
- System design
- Irrigation equipment supplies

- Irrigation system installation



Sprinkler irrigation in action

Water pumps

Sprinktech Limited offers a wide selection of water pumps in all sizes. We do supply all types of surface and submersible pumps from leading world manufacturers. Sprinktech Limited deals in water that can also run on electric power (AC) or solar power (DC) or both. Our water pumps can be used in numerous applications like

- Domestic water pumping
- Irrigation
- Firefighting
- Commercial water pumping
- Industrial applications



All types of pumps in all sizes

Solar systems

At Sprinktech Limited, we provide an extensive range of solar products and systems sourced from industry-leading suppliers that will offer world-class solutions for all solar power needs. Our solar systems include solar water pumping, solar water heating and lighting systems.



Our team installing a solar water pumping system

Borehole

Sprinktech Limited provides an end-to-end borehole solution. We carry out surveys (physical and/or geotechnical), drilling, installation and construction and also supply pumps and other borehole equipment. For every borehole requirement, we have a reliable and cost-effective borehole solution.



Our drilling rig in action

Generators

Sprinktech Limited stocks and retails generators of all types and sizes ranging from 1KVA to 1000KVA. Various model ranges are offered specified for either prime or standby power applications, with high-speed standby sets giving excellent value with increased outputs. We also help the customer to identify the correct size of the generator they need and we install and maintain the generator.



Location of headquarters

We are located at Suite 10 Penn Station 7th Street- Industrial Area.

Ownership and legal form

Sprinktech Uganda Limited is a private limited company registered under the Uganda Registration Service Bureau.

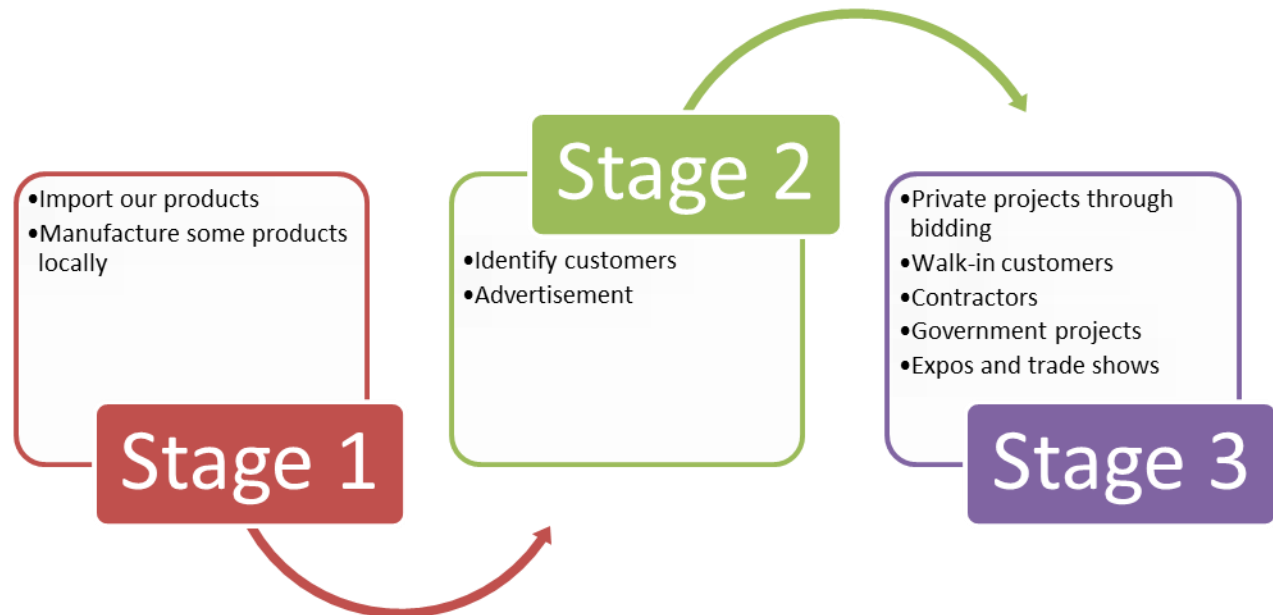
Markets served

We basically serve the local markets of Uganda – i.e. East, West, North and the Central region. However, in recent years we have carried out some exportation to East African countries – i.e. Kenya, Tanzania, Sudan and Congo, among others.

Information on employees and other workers

| Gender | Permanent | Temporary |
|--------|-----------|-----------|
| Male | 5 | 8 |
| Female | 1 | 2 |
| Total | 6 | 10 |

Supply chain



Significant changes to the organisation

Our only significant change during this year’s reporting period was the opening up of our Kampala Headquarters at Penn Station building along 7th Street, Kampala Uganda. The new offices have increased our level of sales because our equipment is now easily accessible to our customers in the urban areas of Kampala District and this has greatly expanded our business profitability.

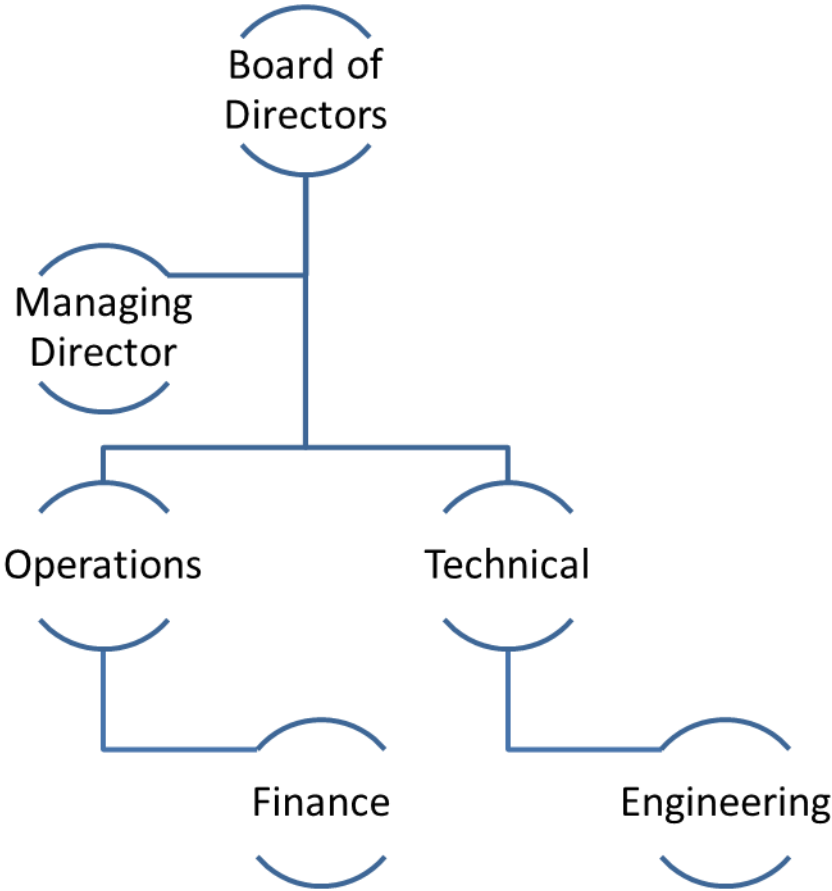
Precautionary principle or approach

Firstly, at Sprinktech Limited, we identify the risks then set up different approaches and precautions on how to mitigate the risks. For example, our type of business is seasonal since we mainly deal in irrigation. Therefore we decided to diversify our business where we introduced new equipment such as generators and solar panels so as to keep our business profitable throughout the year.

Membership of associations and external initiatives

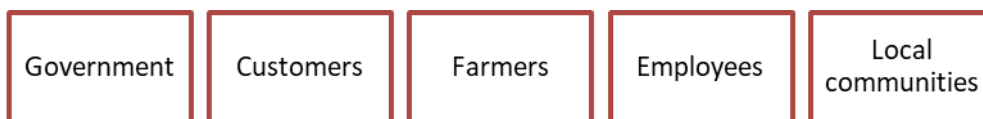
Currently we are not members of any association.

Governance structure



Stakeholder engagement

Below is a list of our different stakeholders:



Government: We pay all our taxes to the different Government authorities such as URA and we also ensure that we have all the legal documents that allow our company to run smoothly without any interference from the Government agencies such as URSB.

Clients: We have a very good online presence where we regularly interact with our people and this has strengthened our customer-business relations. We also attend the different trade shows and agricultural Expos across the country where we interact with very many different farmers and clients, and this has greatly contributed to the growth of our market share.

Employees: We regularly talk to our employees and organise weekly meetings where we discuss the financial position of the company, how to mitigate risks, and how to out-compete our competitors. We also ensure that our employees are paid on time accompanied with salary bonus in case of good work done.

Reporting Practices

Entities included in consolidated financial statements

Sprinktech Limited does not have other entities.

Defining report content and topic boundaries

Market presence attempts to measure the size of our market share in the irrigation industry. Therefore it had to be our material topic in our very first sustainability report because we want to be the market leaders and set trends for our competitors. We have briefly discussed the steps taken so as to make Sprinktech Limited the market leader. This year, we also opened up our headquarters in Kampala District which has helped to boost our sales in the central region of Uganda.

List of the material topics

Market presence is our only material topic in this year's report.

Restatements of information

Not applicable.

Changes in reporting

This is the first sustainability report to be prepared by Sprinktech Uganda Limited.

Reporting period

1 January 2019 to 31 December 2019.

Date of most recent report

This is the first sustainability report to be prepared.

Reporting cycle

Annually

Claims of reporting in accordance with the GRI standards

This report has been prepared in accordance with GRI Standards: Core Option.

External assurance

This report has not been externally verified. However the following aspects are externally audited: Quality Management System, Environmental Management System and Occupational Health and Safety Management System.

Material Topics**GRI 200: Economic impacts****Management approach (GRI 103) -2016**

As Sprinktech Uganda Limited, we have considered *market presence* as our economic material topic in this year's sustainability report because we continuously work hard to ensure that we gain a relatively large market share in the irrigation industry in Uganda. Our management approach to market presence involves laying out different strategies on how to beat competition, become the market leaders, and set a trend for others – i.e. become experts in our field. Some of our strategies include engaging with our customers more through attending different agricultural Expos in different regions across the country and also through communication on the internet. We also massively advertise our products on radio, television and in the newspaper and also through our social media pages. We offer discounts for our bulk buyers as well as our daily customers which has strengthened the bond between our business and the clients. At Sprinktech Limited, we provide end of year packages to our customers which provides motivation and has also attracted very many clients hence widening our customer base.

GRI 202: Market presence 2016

At Sprinktech Uganda Limited, we have a local minimum wage of 350,000 Ugandan Shillings (ugshs) which is not gender-based at any point. However due to the fact that we provide transport and lunch allowances of around 250,000 ugshs per month, this takes our wages to between 500,000 and 600,000 or even more depending on the work done, position, level of education, skills and overtime worked among other variables. Our temporary workers are mainly paid based on the amount of work done and the wages range from 250,000 ugshs to 450,000 ugshs. At Sprinktech Uganda Limited, 100% of our senior management at our head office at Penn Station 7th Street - Industrial

Area are recruited from the local communities from the different regions in Uganda. *Senior management* refers to highest ranking officials at our organization. By *local*, we refer to the different communities in the different regions of Uganda.

The UN Sustainable Development Goals (SDGs)

Sprinktech Uganda Limited has joined the different manufacturers in Uganda as partners in contributing to Uganda's achievement of the Sustainable Development Goals. Therefore, through our business activities and processes, the following goals have been achieved.



Our market presence is contributing to Uganda's achievement of the 1st Goal of 'No Poverty' where our business has created more employment opportunities for the people of Uganda; for example, the opening up of our headquarters in Kampala created jobs for a few people. We also employ temporary workers in case the need arises to who we pay very good wages which are able to sustain them and their families. We also provide both breakfast and lunch for our employees and therefore they do not spend on lunch but rather divert what they save to provide basic needs such as food to their families. Through this, we are contributing to the achievement of the 2nd Goal of 'Zero Hunger'.



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Acknowledgements

We would like to thank all our colleagues, suppliers, customers and other stakeholders for their support in providing the information required for completion of this report. In particular, we are grateful for the assistance provided by Dembe Dickens, the Research Assistant, in drafting this report and Professor Ven Tauringana of the University of Southampton, the UK for providing the technical expertise. Finally, we acknowledge the funding from the Southampton Business School Small Research Grants which made the preparation of this report possible.

Further information

Further information about Sprinktech Uganda Limited Sustainability Report 2019 can be found at our website www.sprinktechug.com

Contact us

If you have any comments regarding the report, please contact
 Abaho Pidson
 +256-704-168123
 pidson@sprinktechug.com