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**Global Compact – Communication on Progress**

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**Statement of continued support by Managing Director**

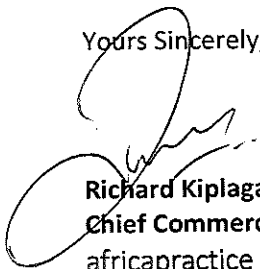
Three years ago, africappractice joined the UN Global Compact, affirming our support for its ten principles on Human Rights, Labour, Environment and Anti-Corruption. We committed to submit a Communication on Progress describing our efforts to implement these principles.

In 2018, Africa Practice East Africa set up a sustainability department that would integrate sustainability in our overall business strategy with the objective to produce APEA Sustainability Report for this Financial Year (April 1<sup>st</sup> 2019-March 31<sup>st</sup> 2020) as well as promote sustainable business practices to our clients and prospective clients.

Over and above this, I am pleased to reaffirm africappractice's support to the ten principles of the United Nations Global Compact and describe our actions to integrate the Global Compact and its principles into our business strategy, culture, daily operation as well as in the advices to our clients.

We are also committed to share this information with our stakeholders using our primary channels of communication, and to continue integrating these principles in all our affairs, and measure such respect in the best possible way.

Yours Sincerely,



**Richard Kiplagat**  
**Chief Commercial Officer and MD East Africa**  
africappractice Ltd

## **1. Integration of the Sustainable Development Goals**

To ensure that the business strategy is aligned to sustainability. We have identified and are in the process of formally integrating SDG 3 (good health) 8 (good jobs and economic growth), 12 (Responsible Consumption) and 17 (partnerships) in our business practices. This will ensure that everyone in the company is aligned to the company's sustainability goals, involved in their pursuit and that our overall strategy aims for a balance in social, economic and environmental practices internally and for our clients.

We have committed to produce our initial APEA Sustainability Strategy for this Financial Year, to track our efforts in attaining identified goals and lead the way for the entire africapractice group of companies

We realise that it has become increasingly expected by governments, investors, consumers and local communities that companies must go beyond regulatory compliance to earn their license to operate by demonstrating impact. Beyond their individual benefits there is a broader argument that business interests should be aligned to society and global development goals. Social and environmental goals cannot be achieved without business and in turn, a healthy environment and prosperous society make for a good business environment. Today, concern for the environment and communities are key and companies looking to the future have to recognize that investment decisions are not only driven by financial returns but also environmental, social and good governance.

We will be developing our Sustainability offering to our clients this year, to be able to advise our clients accordingly on the development of Sustainable strategies, or new approaches to risks and opportunities, and the production of Sustainability and Integrated Reports. This will help listed companies respect the code of governance issued by the Capital Market Authority of Kenya. We will also consider various initiatives to advocate for increased roll out of Sustainability principles by companies operating in Kenya.

## **2. Human Right Principles**

### **Assessment, Policy & Goals**

Africappractice vision is a prosperous and influential Africa, inspiring the world. Such a vision can only be realized if all human lives on the continent are respected, starting by ourselves and our employees. As such, we fully support the Universal Declaration of Human Rights

Being a consultancy, our specific exposure to Human Rights are mainly related to Articles 1 (Right to equality), article 2 (freedom from discrimination), Article 16 (Right to marriage and family life), Article 22 (right to Social Security), Article 24 (right to rest and leisure), article 25 (right to adequate living standard) and article 26 (right to education).

Advising companies on the management of their risks and their relation with their stakeholders, we also consider it our responsibility to flag the importance of the respect of Human Rights by companies in their relation, notably with local communities.

### **Implementation**

Based on our commitment, we have ensured that our Employee Handbook make direct reference to the respect of Human Rights, with entire sections dedicated to:

- Benefits of employment
- Family friendly policies
- Equality of treatment
- Fight against Discrimination
- Discipline, Grievance & Performance

We ensure that employees are made aware of all clauses of their employment contract that relate to Human Rights, their own rights and duties in this regard.

The Employee handbook clearly spells the Management and Staff Responsibilities in regard to Equal Opportunities procedures and anti-discrimination policies.

Detailed procedures have been developed to report and complain against any form of harassment

**Measurement of outcomes:**

Over the past 2 years, no cases of human right abuse was reported against the company.

The Group HR Manager reports annually in the Senior Strategic Management retreat on any HR issues or any review necessary.

We have rolled out mechanisms to measure impact made internally through the implementation of the SDGs.

**3. Labour Principles**

**Assessment, Policy and Goals**

Being a consultancy, we consider our people as our first asset. Being present in 8 countries, it is essential for us to have some common policies sensitive to the diverse realities of our employees and respectful to the employment laws of 8 different countries.

Our Employee Handbook is relatively well developed and is continually supplemented by specific documents and policies related to our working environment, that each employee is being sensitized on.

**Implementation**

Our Group HR manager oversees the constant update of our Employee Handbook and the respect by our employment contract of all local legislations.

All Employees are now entitled to medical and group accident and life insurance

An employee satisfaction survey (ESS) targeting an 80% score has been developed and implemented.

**Measurement of outcomes**

Our Group HR Manager reports annually during the Senior Management Strategic Retreat on demographics of management and employees, HR policies and strategies where the results of the Employee Satisfaction survey are presented, discussed and recommended actions brought forth for group wide implementation. The latest ESS result was of 67%.

A detailed Appraisal Process with specific metrics and objective setting has been implemented, ensuring continuous dialogue and feedback on performance between each employee and his/her line manager.

The company has been cleared of any wrongdoing in a case involving the termination of contract of one of our employees (case lodged in Tanzanian court). Another court case, lodged in Kenya, for the same termination is still pending, with the Group HR Manager directly involved. Once the verdict is out, the management will be clear on relevant learnings and precautions to take to avert a repetition.

No other court case has been lodged by any employees this year.

#### **4. Environmental Principles**

##### **Assessment, Policy and Goals**

Being mostly office based, the nature of our operations makes our consultancy direct environmental impact relatively small.

Our impact is mostly indirect, via clients, business and suppliers.

We are flagging with our clients the importance of their environmental footprint and need for them to develop a sustainable approach to the use of their resources as a key risk management factor.

##### **Implementation**

In East Africa, we have implemented a personalized access to printers, to reduce the use of paper by tracking usage.

We also continue to provide pro-bono support to campaigns aimed at promoting the recycling of plastic and are working with some clients in the promotion of environmentally conscious use of PET in the beverage section.

Internally, we have initiated sensitization programs with staff members on the best way to measure and manage our environmental impact, notably towards energy efficiency.

##### **Measurement of outcomes**

Given the marginal environmental impact, the measurement of the actions implemented had not yet been prioritized, and as such have not yet been measured.

An internal policy on this will however be issued as part of our commitment to improve our respect in action of environmental principles.

#### **5. Anti-Bribery & Corruption Principles**

##### **Assessment, Policy and Goals**

africapractice values its reputation and is committed to maintaining the highest level of ethical standards in the conduct of its business affairs. We are committed to carrying out business fairly, honestly, and openly. Being present in 8 countries in Africa - which have varying charges of corruption levelled again

them – means we have to be especially vigilant when working with both governments and industry across the continent.

The africapractice Anti-Corruption & Bribery Policy sets out the firm's policy in relation to bribery and corruption. The policy applies strictly to all Directors, employees, agents, consultants, contractors and to any other people or bodies associated with africapractice, within all regions, areas and functions.

### **Implementation**

The actions and conduct of the firm's staff as well as others acting on the firm's behalf are key to maintaining these standards.

Africa Practice does not tolerate bribery or corruption in any form and all employees and associates are required to read and sign the Policy upon commencing a working relation with africapractice.

The firm prohibits the offering, giving, solicitation or the acceptance of any bribe or corrupt inducement, whether in cash or in any other form:

- to or from any person or company wherever located, whether a public official or public body, or a private person or company;
- by any individual employee, director, agent, consultant, contractor or other person or body acting on the firm's behalf;
- in order to gain any commercial, contractual, or regulatory advantage for the firm in any way which is unethical or to gain any personal advantage, pecuniary or otherwise, for the individual or anyone connected with the individual.

We have developed and put in place the following policies:

- Anti-Bribery policy
- Code of Ethics

These policies provide clear guidance to all employees on the expected behavior and the procedures to follow should they suspect a corrupt attitude from any of africapractice stakeholders

All employees were sensitized to these policies and requested to sign them, with specific training and sensitization provided to employees of our Intelligence & Analysis Department.

In addition, all costs and expenses are supervised by the Financial Department.

### **Measurement of outcomes**

All employees have signed the Code of Ethics and Anti-Bribery policies.

There were no case of corruption in any of our offices.

External auditors have been hired to audit the financial accounts. They have issued unqualified reports over the past years.