

COMMUNICATION ON PROGRESS 2018/2019

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TRACE has completed a TRACEcertification due diligence review of Epsilon Publishers Limited. Certification by TRACE signifies that Epsilon Publishers Limited has completed internationally accepted due diligence procedures and has been forthcoming and cooperative during the review process. TRACEcertification underscores Epsilon Publishers Limited's commitment to transparency in international commercial transactions.

Epsilon Publishers Limited is proud of our commitment in embodying the spirit of the United Nations Global Compact. We pledge to align our business operations to the United Nations Global Compact's fundamental pillars of human rights, labour, environment and anti-corruption. To this end, we have signed the letter of commitment to the United Nations Global Compact, pledging to align our efforts to operate responsibly and to advance societal goals in tandem with the UN Sustainable Development Goals.





CONTENTS

- 6 Letter of commitment
- 9 About this report
- 10 What we do
- 12 Advisory board report
- 14 Highlights
- 17 COP reporting: Human rights
- 19 COP reporting: Labour
- 20 COP reporting: Environment
- 22 COP reporting: Anti-corruption

LETTER OF COMMITMENT



This communication on progress report provides a detailed account of how we have implemented the ten principles of the United Nations Global Compact in each of its four areas of human rights, labour, environment and anti-corruption for the period 2018-2019. The report further considers our engagement in realising the Sustainable Development Goals (SDGs) that concern our business and our undertaking of strategic actions towards the realisation of SDGs.

This reporting year, the theme for 2018 was compliance and therefore, the organisation made strides in ensuring that we put into place robust corporate governance structures. To this end, the board and management adopted and signed the company code of conduct available at https://www.epsilon.co.ke/governance/

In the same period, we also acquired TRACE certification. TRACE is a globally recognised anti-bribery business association. TRACE has completed a TRACE certification due diligence review of Epsilon Publishers Limited. Certification by TRACE signifies that Epsilon Publishers Limited has completed internationally accepted due diligence procedures and has been forthcoming and cooperative during the review process. TRACE certification underscores our commitment to transparency in international commercial transactions. This has opened project and partnership opportunities for the business because of the certification.

Lastly, we firmly believe that by giving back to different causes, we can not only make a difference in the world around us, but also catalyse other businesses to follow our lead. This reporting year, we established collaborative partnerships with the United States International University to provide graduate internship opportunities to their students; to give them hands on experience and make them market ready. The organisation, in partnership with Hillcrest High School, set up an annual Award for the best student in creative writing. It will be inaugurated in 2020.

We know that much remains to be done in emerging sustainability issues and we reiterate our commitment to advancing societal goals and embed sustainability deeper into our business.

Yours sincerely

R. Mumbi Gichuhi (Mrs.) Managing Director Epsilon Publishers Limited

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UNITED NATIONS GLOBAL COMPACT THE 10 PRINCIPLES

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.

LABOUR

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 labour;

PRINCIPLE 5

the effective abolition of child labour; and

PRINCIPLE 6

the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

PRINCIPLE 7

Businesses should support a precautionary approach to environment challenges;

PRINCIPLE 8

undertake initiative to promote greater environmental responsibility; and

PRINCIPLE 9

encourage the development and discussion of environmentally friendly technology.

ANTI-CORRUPTION

PRINCIPLE 10

Businesses should work against corruption in all its forms, including extortion and bribery.

WHAT WE DO

Epsilon Publishers Limited at a glance

We provide editorial, translation, publishing and printing services. We do this with a view to helping our clients communicate their message in a clear and concise manner.

What we publish includes but is not limited to: reports, journals, newsletters, magazines, financial and annual reports, books, policy documents and policy briefs.

We also provide translation services to enable publications to reach a wider audience; this includes the United Nations languages as French, Spanish and Swahili.

Our purpose is to precipitate positive social impact through

publishing; this means using our platform to inform, to influence and to impact.

We use publishing as a tool to catalyse social, economic and environmental awareness and we are able to disseminate this information in a concise and compelling manner.

As signatories to the United Nations Global Compact (UNGC), we remain proud of our commitment to align our operation in tight tandem with the fundamental pillars of human rights, labour, anti-corruption and environment. Furthermore, we are a TRACEcertified company, TRACE certification underscores our transparency to international,

commercial transactions. We are also recipients of the African Excellence Award in publishing.

Finally, corporate governance is at the heart of our decision making. Our female-led advisory board comprises 60% women as we are passionate about empowering women leaders, and especially the roles that they play within a leadership framework. The board fosters a culture of accountability and responsibility and in turn, it reinforces our core organisation values: to act with integrity; to take responsibility for quality; and to deliver excellence.











our work

We work hard to bring your publication to life. Good publishing means work that attracts and retains attention because it has communicated congruently to its intended audience.

our values

Our values lie at the core of what we do. We measure our work by our three non-negotiable values: we act with integrity; we take responsibility for quality; we deliver excellence.

our philosophy

We aim to nurture and personalise publications so that we ensure that the intended message is communicated in a concise and consistent manner, with a credible and compelling message.

our approach

We nurture your publication and treat it like our own. We ensure that your message is communicated in a concise and consistent manner so it sends out a credible that relays your core message.

ADVISORY BOARD REPORT

Board review and appraisal

One of the most reliable ways the board can strengthen its performance as a governing body is to periodically assess its own performance. Assessments also bring value to board members, directors, managers, the organisation and, ultimately, clients.

The main goal of board induction was to enable the Board members to purposefully identify and surmount the values and strengths that they bring to the table as well as the barriers that impede their effectiveness. The assessment was rolled out at three levels:

- Assessment of overall board performance in several areas of leadership accountability.
- Identification of issues and priorities facing the board.
- Assessment of individual director performance, including a peer evaluation.

The Visionary Board Leadership Assessment focused on identifying leadership gaps and areas in which the board had the greatest potential for improvement; competencies and characteristics

which, when taken together, delineated the profile of an effective future focused board.

The results of the assessment would be used to develop action plans to strengthen the visionary leadership capacity of the board as well as facilitate the development and implementation of initiatives and strategies to improve leadership performance.

The Board Charter

We refined the existing board charter to benchmark it with the global best practice to solidify our committment to compliance.

This charter sets out the core functions of the Advisory Board of Epsilon Publishers Limited. It spells out the regulations of the Board, the roles and duties of the members, and the practice of the board with respect to adhering to the best practice of good corporate governance. This can be accessed here https://www.epsilon.co.ke/governance/



HIGHLIGHTS

79th Annual Meeting of the Academy of Management.

We are honoured to have taken part in a case study prepared by Strathmore Business School for consumption. This event took place from the 10th-14th August 2018 at the Academy of Management annual meeting in Chicago. The Academy is the pre-eminent professional association for scholars in Management and Organisation.

More than 11,000 Management researchers and leaders in Academia are drawn together by this conference dubbed the Premier Global Management Conference, involving 92 countries.

The conference's theme, "Improving Lives", explored on how the betterment of society could be contributed to by organisations.

Some of the most impactful issues in the field of Management and Organisation were presented in form of research findings.
Further topics included the #MeToo Movement, Corporate Leadership and The Continued Challenges Women and People of Colour Face in the Corporate World.

Our Managing Director took part in an interview at the conference whose basis was to seek views of a female leader in the publishing industry, as it is predominantly considered a male-dominated field. We uphold our commitment to drive positive social impact in the East African region and set the benchmark lines for transparency, integrity and sustainability.

The 4th Annual General Assembly Meeting for the United Nations Global compact Network Kenya.

On Wednesday, 19 September 2018, two of our staff attended the 4th Annual General Assembly meeting of the United Nations Global Compact Network Kenya held at the Southern Sun Mayfair Hotel, in Nairobi.

The meeting aimed at bringing together 143 UN Global Compact signatories in Kenya drawn from the business and non-business sectors with the objective of fostering greater involvement in, and ownership of, the initiative by Global Compact signatories.

Among the agendas discussed were; an overview of the UN Global Compact & the Kenya Network, the 2017 Kenya Network Activity & Financial report; 2018 important updates; and, Governance report. More to the presentation was a member consultation and plenary session that allowed deliberations on the expectations of participants and recommendations for the year 2019.

From the plenary session, there was cognisance that no single organisation could manage to do it all in tackling issues that affect businesses in Kenya, from corruption, economic strains, capacity etc. On the contrary, there was need for the various organisations in the same clusters to complement each others efforts in upholding the principles of the UNGC while still operating sustainably.

There was consensus that the UNGC should provide a level platform where signatories and participants can upload relevant policies, business practises, localised information, case studies, milestones and networking opportunities.

HIGHLIGHTS



The Lush Spring Award entry and participation

In the third quarter of 2018, we submitted our entry for the Lush Spring Prize award under the Influence Category. The Lush Spring Prize award is an annual prize fund showcasing projects from around the world that are working towards environmental and social regeneration. Projects that are actively contributing to; the health of all the systems they are part of as well as helping to restore the natural systems in the place the project is based, projects that nurture the wellbeing of all their workers, the capacity of the community

around them, and the networks they are connected to

We are proud that among hundreds of applications from around the world, we managed to be second in selection from the shortlisted nominees from Kenya and among the six nominees from the African region.

https://springprize.org/the-prizes/influence-award/

HIGHLIGHTS

The idea of regeneration

Regeneration means systems and practices that take a 'holistic' approach to solving environmental, social and economic problems; aiming to restore health, wholeness and resilience. This prize is aimed at supporting those who are changing the context in which they are working; who they are helping to build and strengthen the regenerative movement.

Our participation forced us to pick our brains on the idea of regeneration in our organisational context, which meant determining how we used our role and platform as publishers to inform, influence and impact within our sphere given that our brand promise is to drive impactful conversation because we understand that communication is more than just sharing information.

We realised that, to articulate the issues affecting the African people and continent, there was need for massive advocacy at various levels and preparation of messages to meet the needs of both national and international audiences. We made a deliberate decision to use publishing as a way to solve the social, economic and environmental pillars of the society because through publishing, we are able to disseminate this information in a manner concise and compelling.

Specifically, we will continue to use Prose Magazine to drive positive social impact by furthering the agendas: Sustainable leadership, public policy in the region, talent and capacity building among the youth by mentoring upcoming photographers and artists and, giving the Pan-African agenda primary focus in the magazine by providing a platform to various columnists to ventilate the issues that affect the continent and what can be done to overcome these challenges.

Economically, through our work with our business partners who are non-governmental organisations. We contribute to their effort towards community resilience by providing support services which include promotional and awareness material for the various campaigns they have conducted. We have published reports, books and related materials that documented their work in the communities they work in.

These reports are a result of research carried out by the organisation across the East African community. Examples of such reports include: Tourism Satellite Accounts Report, Energy Security Policy Framework, the Blue Economy and the Sustainable Tourism Masterplan.

Finally, environmentally by engaging in sustainable printing. We have permanently implemented the use of responsibly sourced paper and inks which are Forest Stewardship Council (FSC) approved. This will ensure that our end to end production process is eco-friendly.

HIGHLIGHTS

MICE Summit

The inaugural Global MICE Summit was held on 29th and 30th November, 2018 in Nairobi, Kenya. The summit, whose theme was, Leveraging Sustainable MICE Practices for Economic Development, brought together participants from the Meetings, Incentives, Conferences and Exhibitions (MICE) segment of the Tourism sector to identify sustainability trends and practices within the Meetings & Events industry. The Global MICE summit was conceptualised by Zuri Events.

The participants got to have scheduled B2B meetings with delegates and speakers that aimed at discussing collaboration agendas with regards to the three thematic pillars: Sustainable Development, Economic Development and Tech & Innovation. The delegates got to engage with the panellists and speakers by raising critical issues to further the discussions.

In our capacity as publishers and partners in the summit, we published *It's A MICE World* E-magazine which was launched at the summit. This is an e-magazine by Zuri Events Limited. It features MICE players within the region, MICE trends and a directory of the MICE stakeholders and players within the region. The magazine carries articles and features from MICE industry

leaders across the African continent. The magazine is a business-focused publication designed to enable the stakeholders in the Meetings & Events industry to explore industry trends and news. It is specifically formulated to showcase the diversity, potential and vast capacity of the MICE industry on the African continent.

More to this, the summit addressed some SDGs through demos such as:

SDG 3: GOOD HEALTH AND WELL-BEING:

Macriders (stationary bicycles) that enhanced event attendee experience. As one rode the bikes, the SDG goals reflected on the screen in order, based on the speed of the wheels. The goal was to ride the bike until all 17 SDG goals came up on the screen.

SDG 6: CLEAN WATER AND SANITATION:

Lifestraw bottles as a sustainable solution to plastic bottles.

SDG 13: CLIMATE ACTION:

Throw and grow seed balls - practical conference giveaways.

SDG 15: LIFE ON LAND:

Sustainable incentive travel.



COMMUNICATION ON PROGRESS

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 company code of conduct and its adaptation by the Epsilon Board

Doing things right is one of our most important values at Epsilon Publishers. We work hard every day to publish work that drives positive social impact. As such, it is key to have laid down structures and policies to cement this. The managing director drafted the company's code of conduct that was first adapted by all staff members and later by the Epsilon Board in the board meeting of 16th April 2019.

The code of conduct is meant to form the bedrock of how the company safeguards integrity and compliance across the business. Furthermore, the code of conduct will enable us to promote a company culture of veracity and excellence.

The communication of the code of conduct endeavors to ensure a workplace and a workforce that is fully committed to doing business based on our values. The code of conduct applies to the board, management and all employees of Epsilon Publishers, including temporary and contractual staff that we engage from time to time, our suppliers and business partners.

The communication of the code of conduct also forms part of our on-going commitment to ensure that all our stakeholders are committed to engaging in fair and equitable business practices. Among the key elements of the code:

COMMUNICATION ON PROGRESS

The company remains an equal opportunity employer. Employment opportunities within the company are available to everybody regardless of ethnic background, religion, sex, disability and any other constitutionally protected status.

Good governance

The code of conduct outlines the steps that we have taken to align our business to best business practice, both in terms of good governance and operations.

Working with each other

We are committed to the principle of honesty, integrity, openness and fair-play in the delivery of our services.

Working with others

This covers the basic standard of conduct expected of all staff when working with third parties. This includes our suppliers, business partners and clients.

Caring for the environment

The company is committed to operating in an environmentally responsible manner, from the provision of products and services, to the operation of its offices and facilities, selection of suppliers and other business activities.

Fostering a culture of excellence through:

Integrity in the workplace: Each one of us has a duty to uphold and maintain our culture of integrity. To this end, speaking up goes a long way in identifying issues that need to be addressed and dealing with them.

Integrity in the marketplace: Creating a level playing field by not engaging in any anti-competitive practices such as, formally or informally, with competitors and/or suppliers, fixing prices or any other conditions of transaction.

Governance and anti-corruption observing the zero-tolerance policy for any form of corruption.

HIGHLIGHT FOR THE YEAR

THE HUMAN RIGHTS WORKSHOP On the 26th of March 2019, our staff attended a training workshop on advancing corporate human rights reporting through the UN Guiding Principles on Business and Human Rights; the workshop was organised by the UNGC Network Kenya. The workshop - which was held in Nairobi - helped participants understand what good human rights reporting looked like, by introducing UNGPs core concepts, ensuring that all participants had a sound grounding of the foundational elements of a company's responsibility to respect human rights, and honing in on the key characteristics of good and effective human rights disclosure.

COMMUNICATION ON PROGRESS

Labour

PRINCIPLE 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

PRINCIPLE 4

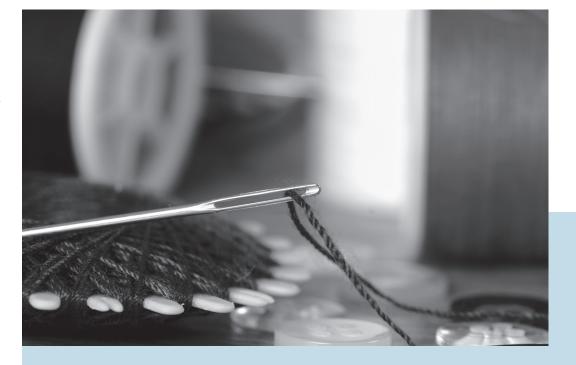
The elimination of all forms of forced and compulsory labour;

PRINCIPLE 5

The effective abolition of child labour: and

PRINCIPLE 6

The elimination of discrimination in respect of employment and occupation.



Part of being mid-sized is owning our objective by actively acting and conducting our business like a mid-sized company. This therefore requires a wholesome transformation to become a purpose and value driven organisation.

As such, the company will continue to focus on attracting and retaining the right workforce today and in the future. During 2018 - 2019, we intensified the work to create a sustainable and futureproof workforce.

The company will also remain an equal opportunity employer and will not be complicit to:

Forced labour

The Company and its suppliers shall employ all employees under their own

free will with no one being subjected to bonded or forced labour. This policy applies to not only the supplier's business operations but also those of their supplier network with which the company conducts its business.

Child labour

The Company and its suppliers shall not employ any people under the minimum legal working age of the country in which they work.

COMMUNICATION ON PROGRESS

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 technology.



The company is committed to operating in an environmentally responsible manner, from the provision of products and services, to the operation of its offices and facilities, selection of suppliers and other business activities.

Further, the company complies with all applicable environmental laws and regulations as well as self-directed commitments to sustainable practices and environmental protection.

To this end, we made the decision and commitment to switch from conventional printing to using responsibly sourced paper (Eco-Labelled paper) and ink. More to this, we made the decision to be more practical through monitoring on our

environmental impacts, such as GHG (Greenhouse gas) emission, waste, and energy use.

GHG (Greenhouse gas) emission and energy use

Along with a large consumption of paper follows a polluting, energy-intensive production. However, choosing eco-friendly paper makes an

impact. The production of ecofriendly paper is subject to strict environmental requirements and simultaneously maintaining high quality publications. Eco-labelling requirements ensure that energy use and CO2 emissions are limited throughout the production process.

Waste

Recycled paper can be made in combination with new and old virgin fibers. Recycled paper is considered less harmful to the environment because less virgin

fiber is used, thereby reducing tree harvesting, water usage, energy consumption, emission of greenhouse gases and pollution.

Also, part of the chemicals used to manufacture paper are difficult to break down in nature and can accumulate in the food chain, while others are toxic. Through the production of eco-labelled paper, these chemicals are either removed or severely limited, for example it is prohibited to bleach with chlorine gas.

anti-corruption

PRINCIPLE 10

Businesses should work against corruption in all its forms, including extortion and bribery.



At Epsilon, we remain committed to conducting our business with integrity, fighting corruption in all its forms. We continue to promote integrity among our employees and external stakeholders to ensure that we are accountable for our business and transparent in all our dealings.

One of our anti-corruption goals for 2018–2019 was providing quality employee training on anti-corruption. Two (2) employees from different departments attended the Bribery Act, 2016 workshop organised by Global Compact Network Kenya as a framework for joint collective action efforts.

We were taken through the provisions of the Bribery Act, lessons from other jurisdictions, actors in implementation, legislative gaps, challenges, implementation and proposed solutions.

