

Global Compact – Communication on Progress

Statement of continued support by Managing Director.

Five years ago, Africa Practice joined the UN Global Compact, affirming our support for its ten principles on Human Rights, Labour, Environment and Anti-Corruption. We also committed to submit a regular update on Progress describing our efforts to implement these principles. Our last communication on progress was in May 2019. After having navigated the turbulence created by COVID-19 over the past year and benefited from UNGC blanket extension for the submission of all Communication on Progress in 2020 due to the impact of the pandemic, we are pleased to submit our current update on Progress for this year.

In 2018, africappractice East Africa set up a sustainability team that would integrate sustainability in our overall business strategy with the objective to develop internal expertise on sustainability reporting and be in an informed position to promote sustainable business practices to both our prospective and existing clients. We set and successfully achieved an objective to develop the initial africappractice East Africa Sustainability Report for the Financial Year April 1st, 2019 – March 31st 2020. We developed it following the GRI methodology framework. This initial sustainability report however remains for internal consumption at this stage and is the basis for a wider discussion on broadening the scope of future reports to the wider group operations.

The lessons learned throughout the development of our initial report have been extremely helpful in enabling us to improve our own business decision making as well as informing our focus on direct and indirect impact. It has also helped us to chart the way forward for the Africa Practice Group as a whole to commit to public disclosure of its overall impact in line with sustainability reporting best practice.

Through our discussions with our clients and thanks to our increased awareness and knowledge on sustainability practice, we have noticed an increased focus, and interest in sustainability related issues by our clients. This has led to a number of opportunities to assist our clients with integrating their impact in their business analysis and reporting.


The company's management has participated in key summits, webinars, and other important public policy interactions in relation to one or more United Nation goals in 2020. We have also partnered with industry peers in initiatives contributing to solving common challenges at the local levels with an emphasis on initiatives extending the company's positive impact on its value chain. These initiatives range from chairing conversations on responsible investing and the importance of ESG reporting by companies to creating coalitions by bringing together different players involved in public health matters and in the digital economy. A good example of this is the key role africappractice played in establishing and rolling out Safe Hands Kenya which was a coalition of private sector players who came together to provide masks, soap, hand washing stations and behaviour change communications to the under privileged communities in urban Kenya.

africappractice is governed by policies on how to conduct business while observing all matters relating to human rights, labour laws, anticorruption and environment. These policies have been described in detail in this communication of progress.

Over and above this, I am pleased to reaffirm africappractice East Africa'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 operations as well as in our advisory work for our clients.

We are also committed to share this information with our stakeholders using our primary channels of communication, and to continue integrating and measuring our adherence to these principles in all our affairs.

Richard Kiplagat

A handwritten signature in black ink, appearing to read 'R. Kiplagat', with a stylized flourish at the end.

Managing Director

Africa Practice East Africa

Board Director, Africa Practice Group

1. Integration of the Sustainable Development Goals in our work

In our last Communication on Progress, we were in the process of formally integrating SDG 3 (Good Health) SDG 8 (Good jobs and economic growth), SDG 12 (Responsible Consumption) and 17 (Partnerships) in our business practices in social, economic and environmental practices internally and for our clients. While our overall impact is mainly indirect, via the advice and support we provide our clients, we are intent on focusing our attention on and managing our direct impact.

Our internal work to produce our initial APEA sustainability report in 2020 helped us refine our focus on this direct impact with an actual focus on SDG 3, SDG 5, SDG 8 and SDG 17. Some of our achievements in these areas are presented in the present communication. As an advisory business, our environmental impact remains limited; we have however started integrating measures to track and better manage this environmental impact, focusing first on the savings in terms of energy and paper consumption the work from home conditions have enabled us to realise.

In relation to our efforts around SDG 17 – Partnerships, this past financial year saw many organizations coming together to support communities through the pandemic, and Africa Practice was at the forefront, forging partnerships to address the communities' needs on two main activities. We partnered with like-minded stakeholders to donate ventilators to the ministry of health when the country was facing a shortage of such equipment. In addition, we became members of Safe Hands Kenya, a mission-driven coalition of Kenyan companies providing soap, hand sanitiser, surface disinfectant and masks for free throughout the country as a first line of defence in the fight against COVID-19. We also supported our clients to implement initiatives providing much needed strategic support to local authorities and communities in their fight against the pandemic, through the production of face-masks by local seamstresses or the production of information material to sensitize communities on the pandemic.

While we have sometimes limited leverage to ensure our clients adopt more sustainable approaches, our decisions to integrate impact, SDG references and specific ways to measure them in our overall discussion with our clients helps us advocate for better sustainability practices among our clients, prospective clients and general public via our partners and our own communication. It also helps us being more discerning in our decisions to accept certain mandates or clients, based on their actual or perceived impact but also on their openness to have stakeholder inclusive processes put in place as well as consider alternative solutions if and when negative impacts are clear.

Following a decision to formally integrate sustainability in our own thinking and offering during the last financial year, we started by acknowledging our own impact and responsibility in the impact our clients have, thus creating awareness among our own colleagues. This was a foundational part of us developing our own Sustainability Report. While this document has remained for internal use only at this stage, we have developed it using the GRI methodological framework to guide our analysis and internal analysis. We then build on this awareness of our staff to proactively engage our clients around their own impact and the need to integrate these impacts in their overall thinking, to build, at minima, compliance with international and Kenya regulations as well as realise the opportunities for them to align their own corporate policies on the management of impact with the policies and objectives of the National and county States.

We have not yet set some clear Goals and Targets as a company on our sustainability advocacy, or for integration of sustainability metrics in our work. This is however something we are considering from a

strategic perspective. While we had intended to organise brainstorming sessions with the staff to discuss the integration of such goals and targets in our strategic plan for the year, the COVID-19 pandemic disrupted considerably our activities and plans around such sessions. Nevertheless, we are now envisaging to roll out such discussions at group level.

In order to implement our sustainability plan and ensure an increasing awareness of our responsibility in the impact our clients have, we allocated specific resources to the development of a sustainability team, led by a Director of Africa Practice, one Senior Consultant, one Consultant and one Associate Consultant. All the team members underwent GRI training to become GRI sustainability reporting certified trainers. The team was also requested to dedicate a minimum of 20% of their time to sustainability work, whether client servicing, marketing or business development. This is still work in progress.

We will continue developing our Sustainability offering this year, to be able to advise our clients accordingly on the development of Sustainable strategies, or new approaches to risks and opportunities.

2. Human Right Principles

Assessment, Policy & Goals

Africa Practice 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 relationship with their stakeholders, we also consider it our responsibility to flag the importance of the respect of Human Rights by companies in their relationship with local communities, ensuring proper mechanisms of consultations with these communities are developed and implemented in order to ensure respect of culture and traditions of these communities by our clients.

We have also put in place monitoring mechanisms for clients in the ICT sector to flag any disrespect of the freedom of speech and other civic rights, notably affecting minorities, marginalized and refugees in over 35 countries in which they operate in. While we are not in a position to enforce the respect of these ourselves, we believe such monitoring is our way to play our part in protecting these human rights.

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 and 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.

Following a review of relevant SDG and consultation with our staff to identify specific impact our operation can have on our employees, we highlighted the following SDG objectives as providing us opportunities to maximise the positive impact we can have, in relation to the human rights highlighted above, and decided to track them

Human Right Principles	SDG
Articles 1 (Right to equality) Article 2 (freedom from discrimination)	- SDG 5.1 (end all forms of discrimination against all women and girls) - SDG 5.5 (women in leadership)
Article 22 (right to Social Security)	- SDG 3.8 (universal health coverage)
Article 26 (right to education)	- SDG 8.2 (achieve higher level of economic productivity through diversification technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors)

Over the past financial year, we have had 2 staff members who had children and the company ensured that they both utilized their maternity and paternity leave with pay as per national regulations

Measurement of outcomes:

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

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

Our performance in relation to the specific SDG aligned with the Human Rights principles identified are summarized below:

SDG 3 (3.8 Achieve universal health coverage)	Each of the 25 staff member has an outpatient and inpatient medical cover for themselves. This cover is extended to the direct dependents of the employees, thus providing medical insurance cover for a total of 43 people. No employee had out of pocket medical expenses this year, confirming the suitability of the cover implemented by Africa Practice. Moreover, all employees are given an opportunity to give formal feedback on service provided before the annual renewal to ensure the medical cover provided suits the needs of all. This year, we have also added the following activities to increase the wellbeing of our staff: Considering the current COVID-19 pandemic which has created a great disruption, increased stress levels. As a response, the company has
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	availed specific solutions targeting mental health (awareness session, one on one confidential consultation). The wellness cover as part of the medical insurance has been increased by 50 percent. In addition, the health cover includes COVID-19 testing and an inpatient and outpatient treatment for COVID-19 related symptoms limit of Ksh500,000.
SDG 5 Achieve gender equality and empower all women and girls. (5.1: End all forms of discrimination against all women and girls everywhere)	Our gender ratio for female and male employee currently stands at 64% and 36% respectively. Regular Performance review is carried out for all employees across all levels and gender.
(5.5: Women in leadership)	Our attention to gender balance is reflected at all levels of our organization. Women now represent 67% of our senior management, while the men are 33%. In the previous year, women represented 38% of our senior management.
SDG 8 Education (8.2 Achieve higher level of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labor intensive sectors.)	Following employees request over the past reporting period, the company now ensures that there is an annual budget dedicated to training with clear and equal allocation to each employee. This enables staff to build their capacity and ensure continuous knowledge improvement as part of their career progression and assessment review with their line manager.

3. Labour Principles

Assessment, Policy and Goals

Being a consultancy, we consider our people as our first asset.

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. The handbook is developed in line with the country labour laws in the countries we operate in. It aligns with the Africa Practice Group handbook, itself aligned with the international labour standards.

COVID-19 has encouraged us to look more closely at our work practices. We have reviewed our remote working policies to protect our staff from exposure.

Our commitment is to provide our staff with the flexibility to create a working environment that allows them to structure their time in a way that best suits them. We have ensured that all our staff have the

tools to be productive while working from home – this includes specific arrangements concerning internet and mobile phone access, as well as access to shared spaces for working with colleagues and clients when needed.

We continue encouraging our staff to work from home and remain sensitive and accommodating to personal preferences of various staff on this matter.

Implementation

Our Group human resource 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. Our medical insurance now covers COVID-19 testing through referral and also caters for both inpatient and outpatient treatment.

There has been a proactive approach to sensitise employees on mental health and wellness.

Measurement of outcomes

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.

Due to COVID-19, we did not set specific individual objectives for staff members during the financial year 2020/2021 because of the uncertainty of the business environment, however, we ensured staff members had continuous dialogues with their line managers around career progression, guided by the Group Human Resource Manager, on a quarterly basis.

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. Africa Practice does not have a significant supply chain hence most environmental impact is limited to the company's operations.

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.

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

19, we quickly implemented a work from home policy. This has greatly helped us in managing the utilities expenses in our offices.

Measurement of outcomes

In terms of the office utilities, we have been able to reduce the expenses from the financial year 2019/2020 to 2020/2021 as follow:

Item	2019-2020	2020-2021
Electricity	Ksh 270,000.00	Ksh 120,000.00
Reams of paper	120	20
News Papers	Ksh192,000.00	Ksh 7,958.00

The company is committed to continually reduce electricity and water consumption annually, however due to the COVID-19 guidelines and staff working from home, we have not been in a position to set practical and meaningful target and as such, have not yet set such quantitative targets for reducing our resource consumption in 2021/22. For this current report, we are only able to present the data on electricity consumption in monetary terms, except for paper used, however, we are working on mechanisms to present this data in the relevant metrics for each of the resources consumed.

5. Anti-Bribery & Corruption Principles

Assessment, Policy and Goals

Africa Practice 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. Operating at the intersect of industry and public sector means we have to be especially vigilant when working with both governments and industry across the continent.

The Africa Practice 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 Africa Practice, 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 Africa Practice.

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 behaviour and the procedures to follow should they suspect a corrupt attitude from any of Africa Practice 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.

