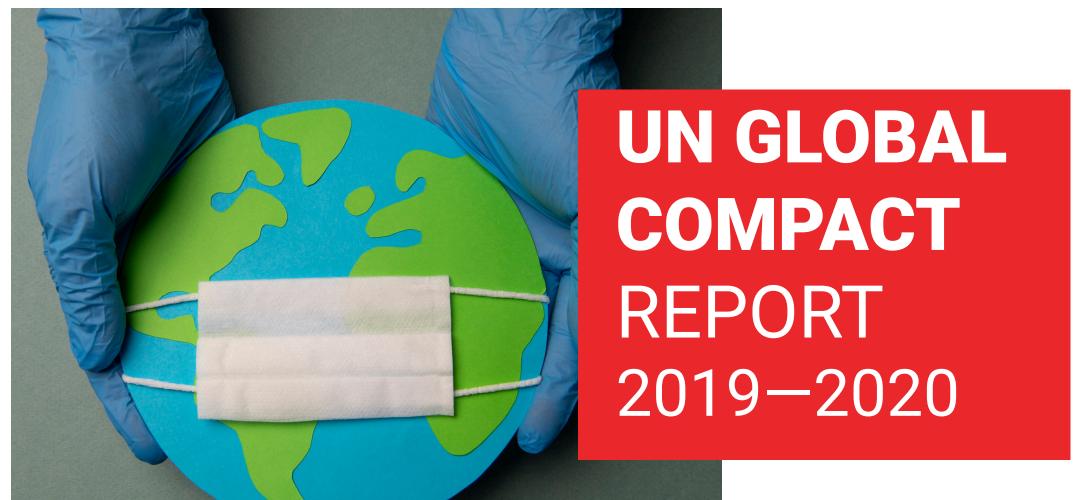


This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.







## **Table of Contents**

CEO Statement of Continued Support Scope of this CoP	03	
	04	
CEO Water Mandate	27	

Kenya	05
About AAR Healthcare Kenya	05
Human Rights	06
Labour	07
Environment	10
Anti-Corruption	12
COVID-19 Response Measures	13

Uganda	14
About AAR Healthcare Uganda	14
Human Rights	15
Labour	16
Environment	17
Anti-Corruption	18
Kampala Hospital	24
About AAR Healthcare Uganda	24
Human Rights and Labour	24
Anti-Corruption	25
Environment	26

Tanzania	19
About AAR Healthcare Tanzania	19
Human Rights	20
Labour	2
Environment	2
Anti-Corruption	22
Key Service Delivery Areas	23

## Message from the CEO



AAR Healthcare continues to demonstrate unwavering support of the United Nations Global Compact, since joining in 2008 and has aligned the company's business practices to support the UNGCs Ten Principles.

am pleased to acknowledge that whilst the organisation has been impacted by the Covid-19 virus, it has continued to expand it's presence across East Africa and remains committed to its value system aligned to corporate sustainability. Although various new initiatives were hindered by pandemic related challenges, we endeavoured not to compromise on the basic principles of human rights, labour, environment and anti-corruption. Our new AAR Hospital, in Nairobi, being constructed to meet EDGE Certification standards, is a prime example of this continued commitment

AAR Healthcare continues to align the companies mission and vision with the provision of high quality healthcare services aimed at improving health and providing education and economic wellbeing to the citizens in the countries in which it operates.

As AAR Healthcare continues to expand its services and presence across East Africa, the organization will remain committed towards improving business solutions that are aligned to sustainable development.

Andrew Rowell Acting Group CEO AAR Health Care Holdings

## Scope of this CoP

This CoP Report covers our operational internal process in relation to our customers, our Staff, our suppliers, our community in adhering to the four main areas of the UN Global Compact:

### 1. Human Rights

- 2. Labour
- 3. Environment
- 4. Anti-Corruption

It also includes an update on the continuous improvement initiatives in the core areas of our water stewardship practice.



# **KENYA**





This CoP report covers AAR Healthcare Kenya operations and processes in relation to our staff, customers, suppliers and our community in adhering to the four main areas of the UN Global Compact: Human Rights, Labour, Environment and Anti-corruption.

All under the 10 principles for the financial period 2019-2020.

The report presents the progress we have made toward our goal of building a more sustainable future. At AAR Healthcare Kenya we believe in holding ourselves accountable and sharing our successes, our challenges and our constraints in a public, transparent and open manner.

A journey we have been documenting since we became members of the UN Global compact.

# **Human Rights**



### **Principle 1:**

Businesses should support and respect the protection of internationally proclaimed human rights

### Principle 2:

Make sure that they are not complicit in human rights abuses.

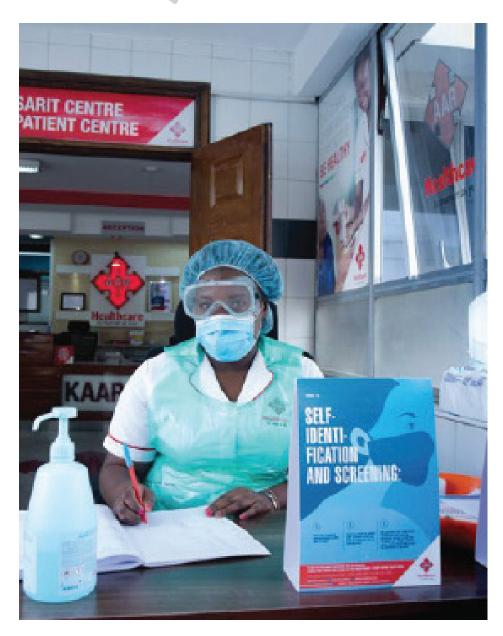
AAR Healthcare Kenya as a company is committed to policies that provide employees with a safe and conducive working environment in line with the international human rights as well as adequate resources to perform optimally in their roles. These policies are aligned to the employment act to ensure full compliance with the law.

The company has an able HR team which ensures that the rights of its employees and stakeholders are adhered to and none is violated.

These policies are made clear to the employees through the company's HR manual shared to all the staff in the intranet and shared documents. These include:

- 22 annual leave days per year to all employees to enable them to have ample rest as required and are approved by respective line manager.
- We also offer 7 days' compassionate leave for employees who are bereaved by their immediate family and for those who are planning their wedding.
- Maternity/paternity leave: We offer female employees (3) three months
  maternity leave with full pay in addition to their annual leave entitlement
  while male employees are entitled to two (2) weeks paternity leave.

# 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

### Principle 6:

The elimination of discrimination in respect of employment and occupation.

AAR Healthcare is committed to employee policies that are in adherence to the labour laws of Kenya, International Labour Organization (ILO) Conventions and other International Standards.

AAR Healthcare being an equal opportunity employer in support to a zero tolerance attitude in respect to employment and occupation. This is in line with SDG 8 that highlights on decent work and Economic growth.

We seeks to protect the labour rights and promote safe and secure working





AAR healthcare takes pride in its Employee wellness programs which is part of the employee wellness. This is through providing cancer test for staff at a reduce cost in addition to health

insurance.

environments for all our employees. AAR Healthcare also states clearly that no staff shall be discriminated against due to sex, race, colour, political opinion, HIV status and beliefs.

The company states clearly that each role will have a job description that outlines the scope and mandate of the role holder. Below are some of the labour laws that we uphold as a company

- We advocate the standard working hours for all our employees both medics and non-medics to be 176 hours per month and lunch break of 1 hour daily.
- We have a transparent disciplinary process that gives either party freedom to air their grievance before a final decision is taken; be it a gross misconduct or a general misconduct. A committee that comprises of different departmental heads is constituted to deal with such matters and seats when there is need.
- The recruitment process is structured and strives to maintain diversity

through gender, skills, race, values, attributes, and characteristics while offering equal opportunity to all potential candidates. We extend the same quality of selection to our vendors and partners.

- AAR healthcare provides a comprehensive insurance scheme for its staff with the below benefits:
  - 1. WIBA- Work Injury Benefits Act (WIBA) which is a benefit plan instituted by the company for employees compensation in case of any workplace accidents or occupational diseases or death at work.
  - 2. Group life cover is a death in service benefit, which the company offers to their staff. It is set up by the company to cover staff while they are employed within the organisation.
  - 3. Group Personal Accident insurance (GPA) is a cover for the employees against the event of death or disability due to accidental causes at the workplace.



AAR Healthcare remains a safe working space for all. Annual Occupational Safety and Health Audits and Fire and Risk audits were conducted in line with Occupational Safety and Health Act 2007 and the Fire Risk Reduction Rule (FRRR), 2007 as required by the Kenyan law.

The following best practices were cited from the Occupational Safety and Health audit:

- Existing Environmental Health and Safety Policy updated.
- Existing Health and Safety Policy and 25 member safety and health committee with representatives from all 21 OPC and Head office
- Constituted and trained Fire marshals and First Aid teams in all offices and OPC's.
- Presence of Fire equipment that are serviced by a registered firm-Pemco material handling Limited as required by law.

AAR Healthcare has provided welfare facilities (sanitary towel disposal bins, appropriate Personal Protective Equipment's (PPEs) especially during this times of Covid 19.

We also has a well-established system for incident reporting that helps staff report all accidents and incidents for further investigations and solutions.





### **Environment**



The chief Guest Eng. Patrick Obath planting a tree at the 2020 AAR healthcare Annual Environment Day at the Nairobi National Park. With him is the AAR Healthcare MD Mr. Charles Kariuki.

As a company, we are committed to ensuring that we operate and take initiatives that will promote our company as environmentally responsible and a company that embraces environmentally friendly ideas in its businesses.

With growing concerns arising from climate change, companies are today expected to be more committed than ever in order to establish businesses that don't compromise future generations.

AAR Healthcare through 'Trees For Health' project has been on the forefront of environment conservation campaigns in the county through tree planting in schools and government institutions like Kenya forests.

Through the free distribution of seedlings to local schools and communities across the country in close partnership with various stakeholders. The tree seedlings are of indigenous species and our target is to plant a tree for every 10 patients who visit our outpatient centres every year.

### Principle 7:

Businesses should support a precautionary approach to environmental challenges

### **Principle 8:**

Undertake initiatives to promote greater environmental responsibility

### **Principle 9:**

Encourage the development and diffusion of environmentally friendly technologies.



### schools across the country

Supported and accepted our tree planting program

# >>Environment

In the financial year 2019/2020, AAR Healthcare planted 65,000 tree seedlings, equivalent to Kshs. 6.5million.

- Tree planting in schools The tree planting program in schools has been supported and accepted in 69 schools across the country. These schools are committed to changing their environment through tree planting. The trees are planted and maintained by the environmental clubs.
- Environment mentorship program in schools Through this program AAR Healthcare has been engaging schools on outreach programs in an effort highlight and educate the community on various issues affecting our Environment in general. Some of these are Global warming, climate change, Desertification, soil erosion among others. This program aims at creating awareness on the importance of taking care of the environment.
- Annual tree planting day AAR Healthcare hold an annual event dubbed the AAR Healthcare Annual Environment day .This is a day that brings together different stakeholders in the country to join hands in tree planting. This event is normally held during the short rains experienced in the month of November. In 2019 we planted 20,000 tree seedlings at the Ngong hills Forest while in 2020 we planted 8,000 trees.
- Paper recycling AAR Healthcare has been recycling papers in support of a campaign dubbed 'Papers for health'. This campaign seeks to recycle papers from all offices and Outpatient centres to raise funds for the purchase of sanitary towels for the very needy girls. The objective of the project is to reach 1,000 girls in the slums of Nairobi with cAARe dignity packs that will assist then maintain appropriate hygiene and feel comfortable during their menses thus contributing to the psychosocial and physical wellbeing.



## **Anti-corruption**



### Principle 10:

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

In its code of conduct, AAR Healthcare Kenya Ltd clearly states and requires its employees and business partners to uphold professional business ethics and not use their positions to solicit or give gifts of any kind that may reasonably be seen to compromise personal judgement and integrity.

Integrity is a core value of the company that forms the basis of recruitment and continued engagement with the company.

# We caare today, for a better tomorrow.



### COVID-19 Response Measures



AAR Healthcare Kenya continues to implement various COVID-19 precautionary measures to minimize spread of COVID-19 at the work place.

Below is a list of some of the COVID 19 measures implemented so far:

- 1. Establishment of a COVID-19 Response Team to oversee implementation of COVID measures and to determine what measures to maintain or relax:
- 2. Installation of Sanitizer Dispensers at work place. These dispensers are regularly filled with sanitizers.
- 3. Provision of portable and table sanitizers for all staff. Staff are also provided with reusable face masks to all staff while at work and away from work. AAR Healthcare did this before it became mandatory for everyone to wear a face mask in public spaces in Kenya;
- 4. Working from home arrangement. Staff have been enabled to remotely work from home through provision of safe internet access and office equipment such as laptops and bundles.
- 5. It is mandatory to wear face masks within all AAR Healthcare outpatient centres and offices.
- **6.** Temperature screening of staff is ongoing at work to enable early detection on of fever:
- 7. We have changed our modes of payment to cashless by encouraging bank transfers and mobile money to reduce handling of physical cash.

# **UGANDA**



AAR Healthcare Uganda (AHCU) is a leading pioneer private outpatient medical service provider in Uganda with a growing branch network of 11 Out-Patient Centers currently attending to an average of 18,000 clients per month.



Being one of the largest providers of outpatient healthcare, we engage qualified and duly licenced medical practitioners with a robust non medical support teams. We use internationally approveddisease management protocols and drug formulary supported by the state of the art information technology systems to provide consistent treatment for our clients.

# **Human Rights**

At AAR Healthcare Uganda, business is increasingly focusing on the impact it has on individuals (employees) communities and the environment. It is clear that one of the measures of our company's social responsibility is its respect for Human Rights.

We uphold the rights and dignity each of its employees. clients and all other business stakeholders. We not only subscribe to the International Human Rights Act, 1998, Uganda Employment Act, 2006 but also conduct sensitization trainings about the same with all employees.

All staff have their statutory benefits remitted in a timely manner but over and above the company provides life insurance, work man's compensation, medical insurance, a pension fund, and professional indemnity insurance for all employees and also compensates staff for hours worked beyond the national recommended maximum hours of labour per month.

**Principle 1:** 

Businesses should support and respect the protection of internationally proclaimed human rights

**Principle 2:** 

Make sure that they are not complicit in human rights abuses.



Staff participating in CSR for promotion of equal opportunity to the girl child

# Labour



In AAR Healthcare, it's a mandate to build an environment that enables a life that is full of dignity, exploitation free and just with at least the minimum social and professional security by ensuring access to income generating employment opportunities for its entire staff without discrimination.

Diverse measures have been adopted for the enrichment of the quality of work life of the workforce by gradually improving the work environment and quality of work performance in the establishment. The rights, interests, duties, responsibilities, obligation and discipline of workers and employer has been clearly described.

### 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

### Principle 6:

The elimination of discrimination in respect of employment and occupation.



First Aid training for staff

# **Environment**

AAR Healthcare is committed to environmental protection and conservation in line with the United Nations Framework Convention on climate change of which the Ugandan Government is a signatory. Drugs and laboratory consumables are the number one product sold by AAR Healthcare and owing to their harmful nature, it's important that they are disposed of in a manner that is consistent with environment friendly practices.

In line with corporate citizenship, It is our practice that once we have drugs for disposal in case of expiries, the National Drug Authority is contacted which suggests agencies for the exercise. Destruction is done under the supervision of National Drug Authority official who issues a destruction certificate. We also contracted a company licensed by the National Environmental Authority to manage the other medical waste which is produced every day.

While looking for new locations for expansion, the company ensures that these are situated in areas that are free from any pollutants like noise, fumes and smoke to ensure the health of the staff and the clients who access the services.

We continue with the tree planting and deworming exercises.

We embarked on an energy saving exercise in 2017 by changing all our bulbs to LED as we continued to expand our foot print. This has been achieved in all the facilities.

### **Principle 7:**

Businesses should support a precautionary approach to environmental challenges

### **Principle 8:**

Undertake initiatives to promote greater environmental responsibility

### **Principle 9:**

Encourage the development and diffusion of environmentally friendly technologies.







### **Anti-corruption**





**Training Taxify** Employees on adhering to anti -corruption laws

### **Principle 10:**

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

AAR Healthcare Uganda has established several ways of eliminating corruption for example having clear protocols, fostering of open communication, encouraging oversight in financial transactions, creating systems of review as well as taking corruption claims seriously. In cases where employees need to report an employer, they have used whistle blowing method.

We have continued to conduct business ethically, based on its values of Integrity and grown a strong, value based corporate culture and this is repeatedly outlined in our communication to staff and give out talks about upholding professionalism to some of our clients

# **TANZANIA**



AAR Healthcare Tanzania (AHCT) is the leading private provider for outpatient medical care in Tanzania. With a branch network of 8 outpatient centres and 1 factory clinic, our facilities serve an average of over 400 patients a day.



### **Human Rights**

AAR Healthcare (T) Ltd. has incorporated in its policies all the important principles of human rights that as a private institution it is legally obliged to respect. These include, but not limited to respect, fairness, equality and dignity.

The policies protect our employees regardless of who they are, what



they believe and how they live. Our employees are also made to understand these principles so that they do not violate others' rights.

AAR Healthcare (T) Ltd. manpower and recruitment policy ensures that the recruitment and selection procedures will be fair and consistent, non-discriminatory and conforms to all statutory regulations and agreed best practices.

Our remuneration policy is equal pay for equal work. The company also offers non-cash benefits such as medical insurance to ensure our employees access dignified medical services and group life insurance.

The Occupational Health and Safety policy ensures provision of a safe working environment for the health, safety and welfare of our employees. The company provides protective equipment and enforce its use where applicable. Also from time to time employees receive fire fighting and first aid trainings.

### **Principle 1:**

Businesses should support and respect the protection of internationally proclaimed human rights

### **Principle 2:**

Make sure that they are not complicit in human rights abuses.

### **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

### **Principle 6:**

The elimination of discrimination in respect of employment and occupation.



AAR Healthcare staff in a training session.



T4H - Planting Trees in schools

### Labour

AAR Healthcare (T) Ltd. adheres to the fundamental rights and protections as provided in the Employment and Labour Relations Act. Its policies align well with the labour laws and are reviewed from time to time accordingly with any reviews in the labour laws.

AAR Healthcare (T) Ltd. upholds the prohibition of child labour principle as understands that every child has right to education. Children must be supported to live in safe, healthy environment where they will grow well mentally, physically and morally. It is their right to get education without interference.

On prohibition of forced labour, the company's recruitment policy requires any vacant position be advertised and that the interested candidates should apply for the position. This ensures that those considered for the position are willing to take the job.

AAR Healthcare (T) Ltd. does not discriminate. It is a safe, happy, supportive and caring organisation which values and respects all its employees. Regardless of their age, sex, belief, race, occupation, e.t.c; all employees are seen as individual parts within a cohesive team striving towards a common goal.

**Freedom of Association:** AAR Healthcare (T) Ltd. works well with trade unions. Employees have rights to be members of any trade union that they would like to bargain on their behalf. The company worked well with TUICO in reaching an agreement for a retrenchment that took place in 2017 and things went smooth as per the agreement between TUICO and the company.

### **Environment**

Tree for Health Program (T4H) is the corporate Social Investment (CSI) of AAR Healthcare (T) LTD, with the goal of improving human health through better environment and sanitation by combat environmental degradation and facilitate improved health status among school children and the Community.

T4H has 3 service delivery areas that are abbreviated and commonly referred to as the C.E.O. of AAR Healthcare.





#### **Key Service Delivery Areas:**

#### **Clinical Perspective:**

The focus is on introducing basic healthcare initiatives through:

- De-worming school children, as worm infestation is considered a concerning neglected tropical disease;
- Advocating for and promoting hand washing, water boiling, fruit & vegetable washing among school-going children. The basic assumption is that the information will trickle down to their household members and encourage improved hygiene practice

#### **Environmental Perspective:**

The focus is on arresting environmental degradation through:

- Tree planting on school grounds;
- Revival of a healthy environment through afforestation;
- · Promoting use of recycled materials.

#### **Outreach Perspective:** The focus of outreach is two-pronged, through:

- Health talks focusing on awareness creation on select conditions, as well as providing information that addresses health issues.
- Career talks aimed at motivating children to be aware of, and remain focused on, their career choices and show them the many options available to them.

#### **IN SUMMARY**

Clinical: 394

children de-wormed

Environmental: 18,007

trees planted

Outreach:

hours of outreach

### **Anti-corruption**

AAR Healthcare (T) Ltd. anti-corruption policy requires employees, customers and suppliers to have zero-tolerance to corruption.

New employees are required to sign an oath where one of the promise is to refrain from corruption, unfair competition and business practices that are harmful to society.

During trainings, employees are encouraged to be transparent and embrace the company's anti-corruption culture as corruption is bad to business as well as the society.



### Principle 7:

Businesses should support a precautionary approach to environmental challenges

### **Principle 8:**

Undertake initiatives to promote greater environmental responsibility

### **Principle 9:**

Encourage the development and diffusion of environmentally friendly technologies.

### **Principle 10:**

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

# KAMPALA HOSPITAL

### **About Kampala Hospital**

Kampala Hospital Limited is a secondary care private medical provider in Kampala. The hospital is part of the HHI Group, which is one of the largest private healthcare groups in East Africa. The hospital has undergone major expansion since its inception and has recently built and expanded its IPD and OPD departments. Some of the highlights of services available at Kampala Hospital;

- A state of the art operating theatre and a dedicated day care unit.
- One of the most advanced CT scans available in the country.
- Full-fledged 4 bedded ICU.
- Dedicated women's wellness clinic with a 4D scanning unit.
- More than 100 specialists working together with us.
- More than 20 specialized medical services available at the hospital.
- 67 bedded inpatient facility with options from shared rooms to VVIP rooms available to cater for all segments of the population.



### **Human Rights & Labour**

Kampala Hospital is committed and supports both national and international policies regarding Human Rights. We are a non-discriminative and considered an equal opportunity employer.

This is so because our basis or foundation for employment is guided by the Ugandan Employment Act 2006 in support with other Human rights Act.

Working hours holiday and leave management, disciplinary and grievances, contractual management are all guided by the ACT. This is reiterated in our Employee Handbook and personalized orientation for each and every individual recruitment and echoed in department and general staff meetings.

We additionally subscribe to the Ugandan income tax Act when dealing with comprehensive compensation of staff. E.g., all mandatory statutory deductions and remittances are adhered to.

Further we extend benefits to Medical insurance, Group Personnel Accident Covers staff in and out of the premises, professional indemnity insurance.

66

All employees are treated equally with no bias of creed, age, education, position, sex, tribe, national etc. We manage this through our shared values of Nurturing, Integrity, Respect, Compassion, Accountability and Excellence. We strive at continuously improving the quality of work or work life balance.



### **Anti-Corruption**

Kampala Hospital recognizes the role corruption plays in negatively impacting business development and the economy at large and as such has been very strict in developing policies and programs to mitigate the vice from rearing its head in the workplace.

Apart from the Employee handbook that guides on best workplace practices, the finance manual is clear on how to operate in an ethical manner. Additionally, continuous controls have been placed and one majorly being the hospital management system that has seen closure of leakages and improved revenues.

Apartment from anti-fraud / corruption policies, we have an open-door policy. The staff is encouraged to use the whistle blowing method, staff feedback boxes have been availed for anonymity and feedback and at the same time trainings and orientation regarding the organization code of conduct are ongoing.

All fraud cases have been reported and some handled with the concerned stakeholders and legal bodies such as the Ugandan police.

### **Environment**

The hospital participates and conforms to the national guidelines in regards to environment protection and conservation. We are registered and certified for workplace Occupational health and safety under the ACT 2006 and with the National Environment Authority.

Under the above, the hospital has been working tirelessly to implement a safe and pollution free environment while conserving natural resources. This has been so since 2014 and as part of our conservative efforts, we harvest water from the rain, we use LED bulbs and harvest power for use from the solar panels both in the wards and kitchen. Staffs are encouraged to switch off lights, turn off water if not using the space both night and day.

In-line with NEMA guidelines, waste is disposed of in the different color coded bins around the hospital premises, Trainings are regularly done for proper waste management. The bins are labeled for easy use. The disposal of all waste from the premises is handled by a NEMA licensed medical waste company.

The drugs and laboratory consumables are managed / stored and disposed of using the National Drug Authority (NDA) guidelines. All expired drugs are kept safe and a licensed medical company will collect them for disposal.

A certificate from NDA is issued after proper disposal.

Safety of the premises and staff is not taken lightly and as such we have installed water horses, fire extinguishers, fire safety trainings have been done. For continuous improvement, suggestion boxes for both staff and clients are around the premises to help management in better and future decisions.









### **CEO Water Mandate**

AAR Healthcare is committed to improvements in the six core areas of our water stewardship practice, as part of our operations.

Owing to the various challenges presented by the Covid-19 pandemic, a number of initiatives were impaired, as our companies navigated this pandemic. As a result, the following core areas were not specifically addressed during the reporting period: Collective Action, Supply Chain & Watershed Management Public Policy and Community Engagement.

#### **Direct Operations & Transparency**

As a means of monitoring water consumption, and encouraging a pro-active approach to responsible utilization of water, monthly reports on utility consumption are produced. This allows for regular analysis of water consumption across our operations, and the required adjustments to be made to ensure water preservation is observed.

Water discharge is also tested and quality of the effluent reported on by the local authorities, to ensure it meets the local standards, and recommendations for improvement in effluent quality implemented effectively.

These reports are shared with the company's shareholders on an annual basis, for additional accountability, and improvement initiatives monitored as well.





This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

