Pathologists Lancet Kenya (herein under referred to as 'Lancet Kenya') is a member of the UN Global Compact (UNGC) Kenya chapter, whose mission is to spearhead and catalyze actions aimed at promoting good business practices by building capacity and awareness of ethics, integrity and Corporate Social Responsibility and to engage with the UNGC's Ten Principles with respect to human rights, labor, environment and anti-corruption.

Lancet Kenya was among the first signatories to the UNGC Codes of Ethics that was launched in 2012 by the Business community in Kenya to provide a local guiding framework for ethical business practice. As a signatory to the UNGC Codes of Ethics, we have adopted the Code voluntarily committing ourselves to conduct ethical business with all our stakeholders including shareholders, employees, government, consumers, environment, society, suppliers, contractors and agents.

Pursuant to this commitment with specific reference to the UNGC 10 Principle on Anti-Corruption, member organizations are to uphold ethical standards by combating corruption, fraud and bribery. As part of this commitment, we as a company are required to make a clear statement to our stakeholders and the general public, being part of the communication on progress that describes our company's effort to implement the ten principles.

In addition, the Private Sector in Kenya through KEPSA entered into an accord with the Government to enhance our effort in combating corruption, leading to the drafting of the Anti-Bribery Bill which lays out a framework by which organization do business. The Medical Practioners & Dentists Board (MPDB) which regulates medical pathology practice is also currently updating its Code of Conduct that was released in 2013 stipulating ethical practices.

The Bribery Act, 2016 is a recently enacted Act of Parliament provides for the prevention, investigation and punishment of bribery. The Act came into force on 13th January 2017 and places obligations on public and private entities to put in place procedures that are appropriate to their size, scale and nature of operations, for the prevention of bribery and corruption. Failure to do so is considered a criminal offense if it's due to the consent or connivance of a director or senior officer of the private entity. The newly enacted law is an initiative of the Private Sector aimed at supporting the government's efforts to curb corruption in Kenya (Kenya Bribery Act,2016 Kenya Gazette Supplement No.197 (Act no 47).

In line with our membership obligation under UNGC, the Bribery Act 2016, together with all applicable regulatory covenants, we at Lancet Kenya are releasing this “Reviewed Anti-Corruption Policy & Anti-Bribery Code of Conduct” to proscribe practices in our operations that are purposefully designed to combat corruption. These policies and code of conduct are applicable to all Lancet stakeholders including shareholders, employees, government, consumers, environment, society, suppliers, contractors and agents. These extend to both the public sector and the private sector.

**1. BACKGROUND**

It is our company policy to conduct all of our business in an honest and ethical manner. We hereby take a zero-tolerance approach to bribery and corruption. We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter bribery.

The purpose of this policy is to:

a) Set out our responsibilities, and of those working for us, in observing and upholding our position on bribery and corruption; and

b) Provide information and guidance to those working for us on how to recognize and deal with bribery and corruption issues.

c) Detail our ethos to third parties who conduct business or engage with us including individuals and organizations who come into contact with Lancet Kenya in the course of service and business interaction.

**2. POLICY STATEMENT**
3. SCOPE

3.1. Those covered by the code

This code applies to all individuals working at all levels, including senior managers, officers, employees (whether permanent or temporary), consultants, contractors, trainees, interns, or any other third party persons associated with us, or any of our subsidiaries or their employees, wherever located (collectively referred to as employees in this code). Third party means any individual or organization we come into contact with during the course of their work for us, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

3.2. Areas of focus

We are keen to focus on areas of business where corruption and bribery can most often occur. These may include:

- Bribes.
- Gifts, entertainment and hospitality.
- Facilitation payments and kickbacks.
- Political contributions.
- Charitable contributions
- Sponsorships

3.3. Bribes

Bribe refers to directly or indirectly giving or offering anything of value for the purpose of obtaining or retaining business, to win a business advantage, or to influence a decision. Bribery is the offering, promising, giving, accepting or soliciting of an advantage as a reward for action which is illegal or a breach of trust. This includes accepting anything of material value to gain a commercial, contractual, regulatory or personal advantage. Employees must not engage in any form of bribery, either directly or through any third party (such as an agent or distributor). Specifically, employees must not accept or give bribes both internally and externally.

3.3.1 Giving of Bribe

As per the Bribery Act 2016, a person commits the offence of giving a bribe if a person offers, promises or gives a financial or other advantages to another person, who knows or believes the acceptance of the financial or other advantage would itself constitute the improper performance of relevant function or activity.

3.3.2 Receiving of Bribe

As per the Bribery Act 2016, a person commits the offence of receiving a bribe if the person requests, agrees to receives, or receives a financial or other advantage intending that, in consequence, a relevant function or activity should be performed improperly whether by that person receiving the bribe or by another person.

3.3.3 Activities intended to enabled bribery

Any person who knowingly assists a person or a private entity to give or receive a bribe commits an offence by:

- Obtaining property intended for use in bribery
- Using, having possession of or transferring property which was obtained as a result of or in connection with bribery or
- Property which was obtained as a result of or in connection with bribery
- Recording property which was obtained as result of or in connection with bribery in the accounting records of any private entity.

Other definitions of giving and receiving of bribes can be found on the Bribery Act 2016.
3.4. Advantages (Gifts, Entertainment and Hospitality)
As per the Bribery Act 2016, advantages includes but not limited to:-

a) Money or any gift, loan, fee, reward, commission, valuable security or other property or interest in property of any description, whether movable or immovable.

b) Any office, employment or contract.

c) Any payment, release, discharge or liquidation of any loan, obligation or other liability whatsoever, whether in whole or in part.

d) Any other service, favour or advantage of any description whatsoever, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary or penal nature, whether or not already instituted, and including the exercise or the forbearance from the exercise of any right or any official power or duty.

e) Any facilitation payment made to expedite or secure performance by another person.

Employees must therefore not offer or give any gift or hospitality which could be regarded as illegal or improper, or which violates the recipient’s policies; or to any public employee or government officials or representatives, or politicians or political parties; or Gifts, entertainment and hospitality are acceptable if they are reasonable, proportionate and made in good faith and in compliance with our company policies.

3.5. Facilitation Payments and Kickbacks
A “facilitation payment” refers to small sums paid to facilitate or expedite routing. Facilitation payments are made for the purpose of expediting or facilitating the performance of a public official for a routine governmental action, and not to obtain or retain business or any improper business advantage. Our strict policy is that facilitation payments must not be paid. “Kickbacks” are payments made in return for a business favor or advantages. All workers must avoid any activity that might lead to, or suggest, that kickbacks will be made or accepted by Lancet Kenya.

3.6. Political Contributions
We do not make donations, whether in cash or kind, in support of any political parties or candidates, as this can be perceived as an attempt to gain an improper business advantage. Employees may personally make political contributions provided they are not used to conceal bribery and are legal and ethical under local laws and practices.

3.7. Charitable Contributions
Charitable support and donations are acceptable (and are encouraged!), whether they be in-kind services, knowledge, me, or direct financial contributions. However, employees must be careful to ensure that charitable contributions are not used as a scheme to conceal bribery. We only make charitable donations that are legal and ethical under local laws and practices.

3.8 Sponsorships
This policy also stipulates the standards and procedures for sponsorship at Lancet as indicated below:-

a) All the sponsorship requests must be done in a formal letter.

b) All sponsorship must be accompanied by an invitation letter.

c) Sponsorship will only be awarded to a registered entity and not to an individual.

d) The Compliance Team will review the request for recommendation.

3.9 Conflicts of Interest
Conflicts of interest arise when an employee's position or responsibilities with the transacting entity present an opportunity for personal gain apart from the normal rewards of employment, or when an employee gives preference to his personal interests where his duties and responsibilities to the company should come first. Employees and directors should avoid situations where their personal interests might be, or might appear to be in conflict with the interests of the entity they serve. They must also disclose any interests that they, or their Family members, have with businesses that deal with or compete against the company entity that they serve.

3.9.1 Business
For purposes of clarity, ‘Business’ includes, but is not limited, to the following: The company Suppliers, Contractors, Sub-contractors, Business partners, Consultants, Dealers, agents, or any business that provides products or services to the company. Businesses that provide products or services similar to those offered by the company also fall in this category.
3.9.2 Interest
For purposes of clarity, 'interest' means any participation, control or management of the operations, strategy or governance of a business outside The company, whether by a The company employee or by his/her proxy; The holding of 5% or more shares in a public listed company, by the employee directly or jointly with others; Any benefit (financial or otherwise) that an employee obtains directly, or indirectly from a business outside the company; Any benefit obtained by a member of one's Family from a business supplying products or services to the company. Any employee who has or proposes to have an interest in such a business must disclose such interest to the entity they serve.

3.9.3 Family
For purposes of clarity, 'family' includes but is not limited to the employee's parents, brothers, sisters, children, aunts, uncles, cousins. It also includes the employee's spouse and his/her Family.
Conflicts of interest can also arise if any family member is employed by an entity, or is contracted to work for the entity, as a supplier or sub-contractor, this relationship must be disclosed.

3.9.4 Bribing a government official
No company Employee shall make any offer, gift, payment, promise to pay, or authorization of the payment of any money or anything of value (including charitable and political contributions), directly or indirectly, to a Government Official, for the purpose of:
• Influencing any act or decision of the Government Official in their official capacity;
• Inducing the Government Official to do or omit to do any act in violation of their lawful duty;
• Securing any improper advantage;
• Inducing the Government Official to use their influence to affect or influence any act or decision of such government, in order to assist in obtaining or retaining business or in directing business to any party;
• Receiving Confidential Information or advice that would provide the person with an undue advantage;
• Manipulating the procurement or selection process through any means to ensure a given result; or
• Any other corrupt payment defined in any policy and procedure of the company.

3.9.5 Bribing a private sector agent
No company Employee shall make any offer, gift, payment, promise to pay, or authorization of the payment of any money or anything of value (including charitable and political contributions), directly or indirectly, to a private sector official/agent, or business partner for the purpose of:
• Influencing any act or decision of the agent in their official capacity;
• Inducing the agent to do or omit to do any act in violation of their lawful duty;
• Securing any improper advantage;
• Inducing the agent to use their influence to affect or influence any act or decision, in order to assist in obtaining or retaining business or in directing business to any party;
• Receiving Confidential Information or advice that would provide the person with an undue advantage;
• Manipulating the selection process through any means to ensure a given result.
• Any other corrupt payment defined in any policy and procedure of the company.

4. RESPONSIBILITY OF STAKEHOLDERS
All employees and stakeholders are required to read, understand and comply with this Code.
The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for or with us. All employees and stakeholders are required to avoid any activity that might lead to, or suggest, a breach of this code.
All stakeholders must notify the company senior management through the Chief Compliance Officer (CCO) as soon as possible if there is suspicion that a conflict with or breach of this code has occurred, or may occur in the future.
Any employee or stakeholder who breaches this Code will face disciplinary action, which could result in immediate dismissal for gross misconduct.

We reserve our right to terminate our contractual relationship or all forms of engagement with third parties who are in breach of this Code, and to report them to relevant authorities that regulate them for further action.

5. RECORD KEEPING

We keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.

All hospitality or gifts accepted or offered are to be declared to the company through the CCO.

All expenses claims relating to hospitality, gifts or expenses incurred to third parties must be documented including specific details of the reason for the expenditure.

All accounts, invoices and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness, and for scrutiny to ensure that the dealings do not breach this Code.

No accounts are kept “off-book” to facilitate or conceal improper payments.

6. HOW TO RAISE A CONCERN

All stakeholders and the general public are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries or concerns, these should be raised directly with the Chief Compliance Officer.

7. WHAT TO DO IF YOU ARE A VICTIM OF BRIBERY OR CORRUPTION

It is important to notify the Chief Compliance Officer as soon as possible if you are offered a bribe in relation to the operations of the company, are asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity.

8. PROTECTION

Employees and stakeholders who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions.

We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this code, even if they turn out to be mistaken.

We are committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place, or may take place in the future.

Detrimental treatment includes dismissal, disciplinary action, threats or other unfavorable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform the Chief Compliance Officer immediately.

In line with the Bribery Act 2016, a whistle blower or a witness shall be entitled to protection of such extent as may be determined by Witness Protection Agency.

A whistle blower, informant or a witness in a complaint or a case of bribery shall not be intimidated or harassed for providing information to law enforcement institution or giving testimony in a court of law.

Pathologist Lancet Kenya has provided a whistle blowing email whistleblowing@lancet.co.ke for any person who would like to report on corruption and bribery matters.
**9. PENALTIES**

Bribery Act 2016, stipulates that any individual found guilty of an offence of receiving bribe, giving bribe or engaging in activities to enable bribery shall be liable to conviction, to imprisonment for a term not exceeding ten years or to a fine not exceeding to five million shillings or both. May also be liable to additional mandatory fine if, as a result of the conduct constituting the offence, the person received a quantifiable benefit or any other person suffered a quantifiable loss.

Other bribery penalties can be found on Bribery Act 2016.

**10. TRAINING AND COMMUNICATION**

Training on this Code forms part of the orientation process for all new employees and will be part of an on-boarding process for all third parties who directly deal with our company.

All existing employees and vendors will receive relevant training on the details of this code upon its implementation.

In addition, all employees and vendors will be asked to formally accept conformance to this code during the employee annual performance review.

Our zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter.

Internal risk assessments and audits will be conducted periodically to ensure that the requirements of this Policy and applicable procedures and guidelines are being met. Audit documentation shall include performance improvement action plans.

**11. RESPONSIBILITY OF CODE IMPLEMENTATION**

The Senior Management Team lead by the Chief Executive Officer, together with the Chief Compliance Officer, have overall responsibility for ensuring this code complies with our legal and ethical obligations, and that all those employed by or work with us comply with it. Management at all levels are responsible for ensuring those reporting to them are made aware of and understand this code and are given adequate training on it.

**12. IMPLEMENTATION PROCESS**

We are taking the following steps to implement the Code:

- Appointment of a Chief Compliance Officer to oversee and ensure compliance with rules and regulations touching on acts of bribery and corruption.
- Publication of the Anti-Corruption Policy and Anti-Bribery Code of Conduct
- Document control for employees to read, understand and acknowledge the Policy and Code of Conduct
- Training programme for all employees operating in areas of the organization that are perceived as at highest risk.
- All existing vendors are required to go through an on-boarding process including filling the on-boarding questionnaire.
- All existing contracts are to be reviewed afresh and any found to be in breach of at risk will be redone to achieve compliance with the Code.
- Risk assessment exercise, preparation of procedures and working instructions to ensure compliance with the Code and all applicable laws/regulations, including inclusion in key contractual documentation, which will be a continuous ongoing process.

**13. MONITORING AND REVIEW**

The Chief Compliance Officer together with the Senior Management Team will review the implementation of this code, regularly considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.
Pathologists Lancet Kenya is committed to running its business responsibly with active compliance of the UNGC Codes of Ethics, all set laws and applicable regulations.

Any complain(s) against our processes, employees or stakeholders dealing with us can be communicated to our Chief Compliance Officer or Senior Management as per the contacts below.

Any query related to this code of conduct should also be communicated through the same email addresses.

CHIEF COMPLIANCE OFFICER               Mr. Peter Murigi    peter.murigi@lancet.co.ke
COUNTRY MANAGER              Ms. Eunice Ombati  eunice.ombati@lancet.co.ke
CHIEF EXECUTIVE OFFICER             Dr. Ahmed Kalebi   ahmed.kalebi@lancet.co.ke
SENIOR MANAGEMENT TEAM               senior.management@lancet.co.ke
COMPLIANCE TEAM               C/o Rose Kiragu  rose.kiragu@lancet.co.ke

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SUMMARY
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