



COMMUNICATION ON PROGRESS

Company Name:	Pathologists Lancet Kenya
Sector:	Medical
No. of Employees:	272
UNGC Signatory since:	25/07/2011
COE Signatory since:	
Contact Person:	Peter Murigi/Deborah Sila
Postal Address:	117-00202 Nairobi
Period covered by this COP	From: 2020 to: 2021

LEADERSHIP: Statement of Continued Support by the Chief Executive Officer

To our Stakeholders:

I am pleased to confirm that Pathologists Lancet Kenya reaffirms its support of:

- The Ten Principles of the United Nations Global Compact for corporate responsibility in the areas of Human Rights, Labour, Environment and Anti-Corruption; and / or
- The principles of the Code of Ethics for Business in Kenya, for corporate responsibility relating to our organisation, our shareholders and investors, our products and services, our suppliers, contractors and agents, our society, our state and government, and our natural environment.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the above standards into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Yours sincerely,


Mwendu Musunga.

Chief Executive Officer – Pathologists Lancet Kenya

ORGANISATIONAL GOVERNANCE:

- Pathologists Lancet Kenya is part of the Cerba Lancet Africa Group, originally founded in South Africa under Lancet group of laboratories and home-grown in Africa to become a leading pathology laboratory service in the continent. We provide vital diagnostic, monitoring and screening testing from routine to specialized and esoteric tests through standalone laboratory facilities and in partnership with other institutions / organization.
- Committed to providing diagnostic excellence, we at Lancet adhere to international criteria set out according to ISO Standard 15189 in all our service points. Our main laboratory is ISO 15189 certified and accredited by SANAS since 2010, while our key branch laboratories are accredited by KENAS.
- Pathologists Lancet Kenya has established five significant Corporate Objectives which are;
 - New Business Acquisition & Account Extension
 - Customer Service Management
 - Lean Operations Minimizing Costs and Improving Operational Efficiency
 - Effective & Supportive Human Resource Management
 - Alignment with corporate sustainability initiatives as well as Sustainable Development Goals (SDGs)

Brief Description of nature of business

- Pathologists Lancet Kenya is an ultramodern, internationally accredited pathology laboratory originally founded in South Africa now with over 65 years of experience.
- Our services are offered to doctors and their patients directly, through clinics and hospitals, industrial & corporate sectors, insurances and outreach programs. We also serve clinical trials and research groups, and have engagement with the governmental and NGO agencies through public private partnerships.

Scope of this COP

Pathologists Lancet Kenya committed itself to the United Nations Global Compact in July 2011. This commitment includes supporting the UN Global Compact ten principles as well as reporting and communicating annually to its stakeholders on progress made to implement the principles.

It covers the four working areas which include;

- Human rights
- Labor
- Environment
- Anti-corruption

HUMAN RIGHTS

UN Global Compact Principles Covered:	<p>Principle1: business should support and respect the protection of internationally proclaimed human rights</p> <p>Principle 2: business should ensure that they are not complicit in human rights abuses</p>
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Human Rights Current	<p>Assessment, Policy and Goals</p> <p>Description of the relevance of human rights for the company (i.e. human rights risk-assessment). Description of policies, public commitments and company goals on Human Rights.</p>
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Our values define who we are, with a code of conduct that guides us in achieving the standards set for our business through respect and support for human rights.

A brief description of our Processes or Systems

- It is our responsibility as an organization to support a successful and sustainable society through giving quality and credible service.
- Any form of bribery is highly prohibited. We have highly automated systems that ensure no reports are altered under any circumstances. This system is complimented by a team of well trained and disciplined staff.
- Pathologists Lancet Kenya's integrity, work ethic and reputation are geared towards providing quality services to anyone who walks in to our facilities.
- We are very keen on the wellbeing of our members of staff who are given the necessary vaccinations upon joining the company. A good example is the Hepatitis B vaccine and other health checks like free covid-19 tests for all staff. During the onset of the COVID-19 pandemic, all members of staff were tested and given clear guidelines on how to keep safe and reduce chances of infections at the workplace. Protective gears were also provided to all members of staff handling patients.
- The company also ensures that all employees and their dependants have a medical cover.
- The employees are given frequent trainings on first aid as well as other emergencies like fire.
- At PLK, employees are allowed to express themselves in terms of their religious beliefs and the necessary support is provided.
- There are guidelines to ensure fair resolution of disputes and a disciplinary committee that ensures that each party's side of the story is heard and taken into consideration.
- Manuals have been made available to all staff on our sexual harassment policy which is also available on the intranet, and a clause on sexual harassment is also included on our human rights policy available to all employees.
- PLK has various fee schedules catering for both high end clientele and the low income earning. The company also ensures transparent pricing which is in line with government regulations.
- There is an ethics code of conduct that enforces employee integrity.
- The company also highlights its zero tolerance to child labor on the human rights policy available on the company website.
- Our human rights policy in policy implemented in 2019, addresses the following issues; Safety, Health and work place security, Forced and Child Labor ,Engagement with third parties, Working Hours and Wages, Sexual Harassment, Equality, Freedom of Association and Collective Bargaining, Maternity Protection, Non-discrimination ,Guidance and Reporting
- The company has also been in the forefront in the fight against COVID-19 through carrying out COVID-19 tests in our labs, which saw us receive the ISO15189 accreditation for COVID-19.

- PLK has also been in the forefront in providing mass awareness and educative insights into the disease through our social media platforms. Over the last year two of our pathologists, Dr. Angela Munoko and Dr. Ngari have also held continuous medical education sessions with doctors and nurses at the King David Hospital and on the Daktari online platform as well.

Implementation

Description of concrete actions to implement Human Rights policies, reduce Human Rights risks and respond to Human Rights violations.

- Drafting a Human rights policy, distributing it to all employees, training employees and carrying out an annual risk assessment on the policy
- Suggestion box, call centre or grievance mechanism
- Awareness raising or training of employees on Human Rights
- Consultation with stakeholders and affected parties
- Allocation of responsibilities for the protection of Human Rights within your company
- Human resource policies and procedures supporting Human Rights
- Carrying out OSHA audits annually

Measurement of outcomes

How the company monitors and evaluates performance

- We ensure that our clients both internal and external have their right of expression exercised through:
 - We have questionnaires that are accessible at our reception areas
 - We have hotlines where our clients or anyone can call and get assisted
 - We also have suggestion boxes and all these are reviewed and implemented accordingly.
 - We also have a whistle blowing platform(email) where employees can share their sentiments
- We also ensure that our clients and suppliers understand and appreciate our commitment to protect and respect human rights by sharing our human rights policy and explaining it to them. The policy is also easily accessible on the company website.
- The company has also taken up an initiative to ensure that staff have access to affordable housing options by supporting the staff who are members of the Lancet Housing Co-operative society.
- Our procurement policies and procedures also ensure protection of human rights.

Through these suggestions we are able to measure the outcome. We also plan on carrying out annual risk assessments in the future.

Commitment

Pathologist Lancet Kenya Limited is committed to upholding the two principles by protecting, respecting and promoting human rights practices. We acknowledge and uphold the right to life, education, development, security, expression among others.

	<p>The company is fully committed to the principles of equal opportunities/ equality and diversity in the workplace and regards personal harassment as a discriminatory and unacceptable form of behavior.</p> <p><u>Systems and Activities</u></p> <ul style="list-style-type: none"> • Grievance procedure-<i>Available</i> • Discrimination on grounds of race, sex, sexual orientation, religion, disability, age...<i>Our human rights policy specifically addresses these issues.</i> • The disciplinary procedure-<i>A well documented procedure foreseen by a disciplinary committee giving all parties a right to be heard.</i> • Provision of 24-hour security for employees while in the premises-<i>Contracted security companies, CCTV cameras installed and SHEQ compliance requirements implemented.</i> • PPE's (Personal Protective Equipment) for contractors- <i>Provided to all staff handling patients and samples with infectious illnesses.</i> • Health and safety policy and committee and provision of medical care-<i>SHEQ committee in place, well trained and guided by the company's SHEQ manual/policy.</i>
Human Rights Future	<p><u>Activities Planned for Next Year</u></p> <ul style="list-style-type: none"> • Pathologists Lancet Kenya plans to keep upholding its mission of quality service for the benefit of the community at large. • PLK has also been expanding, opening its doors to various counties to ensure that our services are available and accessible to all. • We also plan on carrying out frequent training sessions and risk assessments on the issues addressed by our human rights policy. • Continued support of the Lancet Housing Co-operative Society staff housing project and the Gogo Boys Football Club. • COVID-19 testing as part of the fight against COVID-19 as well as providing mass awareness and educative insights into the disease through our social media platforms.

LABOUR RIGHTS	
UN Global Compact Principles Covered	<p>Principle 3: Business should uphold the freedom of association and the effective recognition of the right to collective bargaining</p> <p>Principle 4: Business should support the elimination of all forms of forced and compulsory labor</p> <p>Principle 5: Business should support the effective abolition of child labor</p> <p>Principle 6: Business should support the elimination of discrimination in respect of employment and occupation</p>
Examples of issues/ core subjects:	<ul style="list-style-type: none"> • Freedom of association and collective bargaining • Forced and compulsory labour • Child labour • Discrimination and favouritism in employment • Health and safety

	<ul style="list-style-type: none"> • Decent work • Talent development
<p>Labor Rights Current</p>	<p>Assessment, Policy and Goals Description of the relevance of labour rights for the company (i.e. labour rights-related). Description of written policies, public commitments and company goals on labour rights. E.g.</p>
	<p>Policies and goals:</p> <ul style="list-style-type: none"> • Reference to ILO Core Conventions or other international instruments • Written company policies to uphold the freedom of association and collective bargaining and the elimination of forced labour, child labour and employment discrimination • Written policies that clearly state employee rights and responsibilities and their compensation and benefits • Policy requiring business partners and suppliers to adhere to the Labour principles • Assessment of labour-related risks in the industry sector and country(ies) of operations • Specific goals in the area of Labour Rights for the upcoming year
	<p>Implementation Description of concrete actions taken by your company to implement labour policies, reduce labour risks and respond to labour violations. Describe how the health and safety of all employees is ensured Describe how your company prevents discrimination of all kinds and ensures comparable pay for comparable work</p>
	<p>Concrete actions:</p> <ul style="list-style-type: none"> • Drafting a Labour policy, distributing it to all employees, training employees and carrying out an annual risk assessment on the policy. • Suggestion box, call centre or grievance mechanisms • Awareness raising or training for employees on labour rights and policies • Consultation with employees and other stakeholders • Allocation of responsibilities for the protection of labour rights within your organization • Human Resource policies and procedures supporting the Labour principles, and aligned with the labour law in Kenya. • Participation in international framework agreements and other agreements with labour unions
	<p>Measurement of outcomes Description of how the company monitors and evaluates performance. Describe how your company deals with incidents of violations of the Global Compact Labour principles</p>
	<p>Outcomes:</p> <ul style="list-style-type: none"> • Demographics of management and employees by diversity factors (e.g. gender, ethnicity, age, etc.)

	<ul style="list-style-type: none"> • Investigations, legal cases, rulings, fines and other relevant events related to Labour • Periodic review of results by senior management • Specific progress made in the area of Labour during the last reporting period • External audits (e.g. SA 8000) and internal audits reviewing adherence to HR policies drafted in line with the labour law
Labor Rights Future	<p>Activities Planned for Next Year</p> <ul style="list-style-type: none"> • Ensure all employment standards are upheld by adherence to the labor law. • Ensure proper circulation of the Labor Act to all employees • Adherence of the collective bargaining agreement set. • Distribution of the labor policy to all employees, training all employees on the policy. • Carrying out an annual risk assessment on the labor policy. • Carrying out OSHA audits for all our sites and implementing recommendations

ENVIRONMENT	
UN Global Compact Principles Covered	<p>Principle 7: Business should support a precautionary approach to environmental challenges</p> <p>Principle 8: Business should undertake initiatives to promote greater environmental responsibility</p> <p>Principle 9: Business should encourage the development and diffusion of environmentally friendly technologies</p>
Examples of core subjects / issues:	<ul style="list-style-type: none"> • Precautionary approach to environmental challenges • Initiatives to promote environmental responsibility • Environmentally friendly technologies • Remedial actions • Compliance with environmental laws and regulations
Environment Current	<p>Assessment, Policy and Goals</p> <p>Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities).</p> <p>Description of policies, public commitments and company goals on environmental protection.</p> <hr/> <p>Policies and goals:</p> <ul style="list-style-type: none"> • Assessment of the environmental footprint and impact of your company • Written company policy on environmental issues, including prevention and management of environmental risks • Policy requiring business partners and suppliers to adhere to the environmental principles • Describe specific goals in the area of the environment for the upcoming year

Implementation

Description of concrete actions to implement environmental policies, reduce environmental risks and respond to environmental incidents.

Concrete actions:

- Distributing the environment policy all employees, training employees and carrying out an annual risk assessment on the policy.
- Awareness raising or training of employees on environmental protection
- Initiatives and programmes to reduce waste materials (e.g. recycling) and consumption of resources (energy, fossil fuels, water, electricity, paper, packaging, etc.)
- Activities aimed at improving the energy efficiency of products, services and processes
- Development and diffusion of environmentally friendly technologies
- Raise awareness among suppliers by asking for the environmental footprint of products or services
- Environmental management system to identify, monitor and control the company's environmental performance
- Allocation of responsibilities for environmental protection within your company
- Implementing OSHA audit recommendations
- Implementation of the energy audit recommendations
- Participating in tree planting at the Nairobi National Park to reduce pollution in Nairobi

Commitment

Protection of the environment in which we live and operate is part of our values and principles and we consider it to be sound business practice. Caring for the environment is one of our key responsibilities and an important part of the way in which we do business.

Systems

In this policy statement we commit our company to:

- Complying with all relevant environmental legislation, regulations and approved codes of practice.
- Implementing our environment policy.

Measurement of outcomes and value added for our company

Lancet Laboratories has a licensed waste disposal agent.

- An Energy Conservation Opportunity (ECO) was established with the below adopted.
 - ECO: Lighting.
 - Electronic Ballasts for fluorescent tube light, with an annual cost savings of approximately 4,000 USD
 - Replacement of lamps by equivalent LED Lamps with, an annual cost saving of approximately 8,500 USD ECO
 - Air conditioning. Improved cooling air flow so as to reduce the specific power consumption of the system, with an annual cost saving of approximately 1,000 USD.

	<ul style="list-style-type: none"> - ECO: Lighting – Roof Top Solar Photovoltaic (SPV) system. - SPV systems as a substitute of some portion of the grid electricity. This will consequently reduce electricity purchased from Kenya Power Ltd, with an annual cost saving of approximately 10,000 USD. • Carrying out energy audits and implementing recommendations. • The company has also partnered with AAR Healthcare the last three years to plant trees in Nairobi.
Environment Future	<p><u>Activities Planned for Next Year</u></p> <ul style="list-style-type: none"> • Monitoring of waste disposal to mitigate pollution in form of effluent. • Implementation of the ECO projects to cover annual energy cost saving • We are in the process of doing Occupational Safety and Health (OSHA) registration and audit for all our sites in Kenya • Implementation of the Energy audit recommendations. • Training and distribution of our Environment policy and an annual risk assessment on the policy. We also plan on coordinating with other organizations on courses geared towards protecting the environment

ANTI-CORRUPTION	
UN Global Compact Principles Covered	Principle 10: Business should work against in all its forms, including extortion and bribery
Examples of core subjects/issues:	<ul style="list-style-type: none"> • Corruption (including extortion and bribery) • Anti-competitive behaviour • Fairness to business partners and suppliers
Anti-corruption Current	<p>Assessment, Policy and Goals</p> <p>Description of the relevance of fair operating practices and anti-corruption for the company (i.e. anti-corruption risk-assessment).</p> <p>Description of policies, public commitments and company goals on fair operating practices and anti-corruption.</p> <hr/> <p>Policies and goals:</p> <ul style="list-style-type: none"> • Assessment of risk of corruption and bribery in the company’s industry and country(ies) of operation –<i>implemented through external ABC compliance audits</i> • Written company policy of zero-tolerance for corruption, bribery and extortion-<i>Available on our company website</i> • Reference to (or statement of support for) the UN Convention Against Corruption and other international instruments-<i>Through adherence to UNGC principles</i> • Protocol to guide staff in situations where they are confronted with extortion or bribery-<i>Guidance provided by our anti-bribery policy shared with all employees and training carried out.</i>

	<ul style="list-style-type: none"> • Policy requiring business partners and suppliers to adhere to the anti-corruption principles –<i>Our anti-bribery policy is shared with all new suppliers during the vendor registration process accompanied by a questionnaire declaring any conflict of interest.</i> • Specific goals in the area of anti-corruption for the upcoming year –<i>ABC internal audits, risk mapping and assessments</i> • Policies on paying suppliers on time–<i>Covered by our accounts payable policy and monitored through internal audits</i>
	<p>Implementation</p> <p>Description of concrete actions to implement fair operating practices and anti-corruption policies, reduce risks and respond to incidents.</p> <p>Concrete actions:</p> <ul style="list-style-type: none"> • Suggestion box, call centre or grievance mechanisms • Awareness raising or training of employees about company's policies regarding anti-corruption and extortion (e.g. mailings, internet, internal communication, etc.) • Allocation of responsibilities on monitoring anti-corruption issues within the company • Participation in industry initiatives or other collective action on anti-corruption • We have a revised Code of Conduct Policy in line with the Bribery Act 2016 governing employees, clients and suppliers. • Our suppliers have been engaged by filling in an on boarding questionnaire declaring any conflict of interest and an adherence to our anti-bribery policy. • The compliance team has engaged in various trainings including training of employees and explanation of the same to clients and Suppliers. • We've successfully been appointed as the World Anti Doping Agency (WADA) preferred testing Laboratory in East and Central Africa in line with their Anti Doping Policy. • The company has also embraced a very transparent pricing policy, which is in line with government regulations. • We have also carried out an external ABC compliance audit and are currently in the process of implementing the recommendations.
	<p>Measurement of outcomes</p> <p>Description of how the company monitors and evaluates fair operating practices and anti-corruption performance.</p> <p>Outcomes:</p> <ul style="list-style-type: none"> • Internal audits to ensure consistency with anti-corruption commitment, including periodic review by senior management • Investigations, legal cases, rulings, fines and other relevant events related to corruption and bribery • External audits of anti-corruption programmes <p><u>Commitment</u></p> <p>The company is committed to Ethical business practices with zero tolerance to corruption</p>

	<p><u>Systems and Activities</u> Adherence to law and regulations. Implementation of our anti-bribery policy. Internal audits and implementation of good internal systems and controls. Implementation of the external and internal audit recommendations. Risk assessments.</p> <p><u>Measurement of outcomes and value added for our company</u></p> <ul style="list-style-type: none"> • The company is protected against engaging in unethical practices which may lead to litigations and other related costs that come from corruption and fraud. • Improvement of internal controls systems against fraud and corruption. • Transparency and good business relations
Anti-corruption Future	<p><u>Activities Planned for Next Year</u></p> <ul style="list-style-type: none"> • Client and supplier trainings on the company's policy. • Circulation of the Anti-Bribery Act to our staff • Carry out an annual risk assessment on the anti-bribery policy in place. • Implementation of the ABC compliance audit recommendations

SOCIAL	
Examples of core subjects/issues:	<ul style="list-style-type: none"> • Fairness to customers / consumer protection • Product safety and quality • Respect to business partners • Impact on local communities
Social	<p>Assessment, Policy and Goals</p> <ul style="list-style-type: none"> • Adherence to United Nations Global Compact principles • Implementing sustainable development goals <p>Implementation</p> <ul style="list-style-type: none"> • Ensuring adherence to United Nations Global Compact principles • Attending UNGC webinars and trainings and participating in different initiatives by the local network • Participating actively in the implementing sustainable development goals <p>Measurement of outcomes</p> <ul style="list-style-type: none"> • Reporting on progress in adherence to UNGC principles • Including SDG implementation in our corporate strategic objectives <p><u>Commitment</u></p>

	<ul style="list-style-type: none"> • The company has committed to support the Gogo Boys Football club throughout the COVID-19 pandemic by paying their monthly allowances and donating food. • The company has also committed to carrying out CMES throughout the country to create awareness on provision of quality updated services in the health sector laboratory diagnostics. • The company is also committed to implementing SDGs by including them in our corporate strategic objectives and educating staff on how to individually help implement various SDGs. • The company is committed to implementing SDG 5 through participating in the target gender equality initiative. • The company has also committed to COVID-19 testing as part of the fight against COVID-19, and sharing helpful information about the pandemic on our social media platforms • We also partnered with AAR Healthcare on three occasions to plant trees hence implementing SDG 17. <p><u>Systems and Activities</u></p> <ul style="list-style-type: none"> • Supporting a football club from Kibra • Carrying out CMES • Being intentional about implementation of SDGs by including them in our strategic objectives. • Participating in the target gender equality initiative by the local network • Partnering with other firms to help implement SDGs • Creating COVID-19 awareness through our social media platforms • Carrying out COVID-19 testing to help in the fight against COVID-19 <p><u>Measurement of outcomes and value added for our company</u> Reviews, marketing and making the world a better place by helping implement SDGs</p>
Social Future	<p><u>Activities Planned for Next Year</u></p> <ul style="list-style-type: none"> • Supporting a football club from Kibra • Carrying out CMES • Being intentional about implementation of SDGs by including them in our strategic objectives. • Participating in the target gender equality initiative • Partnering with other firms to help implement SDGs • Creating COVID-19 awareness through our social media platforms • Carrying out COVID-19 testing to help in the fight against COVID-19

Examples of core subjects/issues:	<ul style="list-style-type: none"> • Good governance (incl. payment of taxes) • Financial sustainability
Economic	<p>Assessment, Policy and Goals</p> <ul style="list-style-type: none"> • Compliance with laws and regulations • Well outlined corporate strategic objectives • Maintenance of audited books of accounts and filing of tax returns and payments of taxes. <p>Implementation</p> <ul style="list-style-type: none"> • Ensuring compliance with laws and regulations. • Implementing set corporate strategic objectives. • Maintenance of audited books of accounts and filing of tax returns and payments of taxes. <p>Measurement of outcomes</p> <ul style="list-style-type: none"> • Reviewing and implementing compliance audit recommendations. • Reviewing implementation of our corporate strategic objectives. • Maintenance of audited books of accounts and filing of tax returns and payments of taxes. <p><u>Commitment</u></p> <ul style="list-style-type: none"> • The company is committed to ensuring a good financial position to ensure any going concern risks by implementing the well outlined key strategic objectives. • The company is also committed to ensuring that they retain all staff and continue paying salaries despite the economic downturn. • The company is also committed to continued support of the Lancet Housing Co-operative society staff housing project to ensure our staff have access to affordable housing. • The company is committed in maintaining proper of accounts which are audited by an external audit firm and payments of taxes due to the government. <p><u>Systems and Activities</u></p> <ul style="list-style-type: none"> • Healthy business practices that ensure compliance to laws and regulations • Implementation and review of corporate strategic objectives. • Support of the Lancet Housing Co-operative housing project for our staff • Economic risk assessments • Ensuring we retain staff and continue to pay salaries despite the COVID-19 negative effects on the economy <p><u>Measurement of outcomes and value added for our company</u> Growth, staff retention and stability</p>
Social Future	<p><u>Activities Planned for Next Year</u></p> <ul style="list-style-type: none"> • Implementation and review of corporate strategic objectives.

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| | <ul style="list-style-type: none">• Continued support of the Lancet Housing Co-operative housing project for our staff.• Economic risk assessments |
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How do you intend to make this COP available to your stakeholders?

- We will post it not only on the Global Compact Network Site but also on our website and other channels of communication under our control.
- In our next year's activities, the link for the COP will be shared in our Newsletters.