

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







Welcome to the United Nations Global Compact Communication Progress Report - 2018

#### Vision

To be the provider of choice for innovative and quality healthcare solutions in Africa.

#### Mission

To provide healthcare solutions that make a difference to life.

#### Core values

- Nurturing
- Excellence
- Integrity
- Heritage

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# Message from the CEO

AAR Healthcare Holdings Group CEO's Statement of Commitment 2018 to the UN Global Compact.



Mr Indren Poovan Group CEO AAR Health Care Holdings

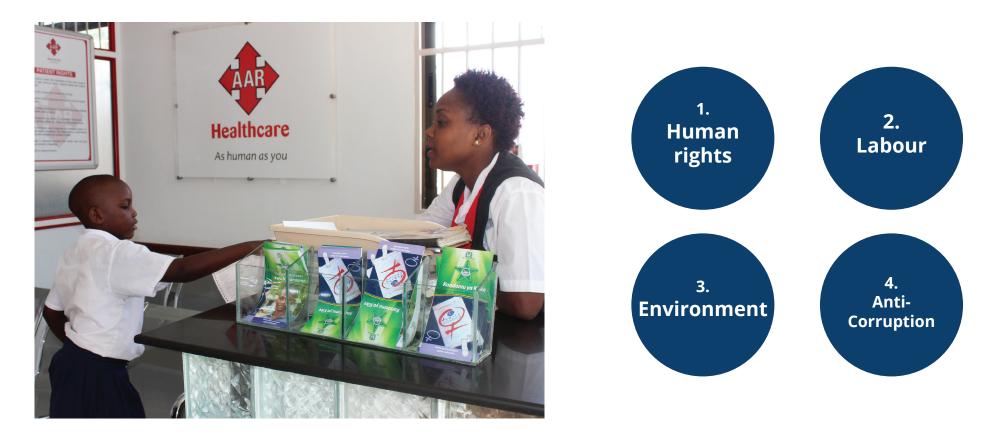
I am pleased to acknowledge that whilst the organisation has expanded its presence across East Africa the organisation has remained committed towards ensuring that the organizations value system remained aligned to corporate sustainability. As an organization, AAR Health Care prides itself in ensuring that its operating model meets the fundamental responsibilities in the areas of human rights, labour, environment and anti – corruption.

AAR Health Care 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.

AAR Health Care 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 where AAR Health Care operates.

AAR Health Care is one of the leading medical service providers in East Africa and continues to grow and diversify its services ensuring that the organizations strategy remains focussed on its core mission which is to "Provide healthcare solutions that make a difference to life."

As AAR Health care 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.



# Scope of this COP

This COP report covers our operational internal processes in relation to our customers, our staff, our suppliers and our community in adhering to the four main areas of the UN Global Compact: Human rights, Labour, Environment and Anti-corruption for the financial period 2017-2018.

# About AAR Healthcare Kenya Limited

AAR Health Care Holdings Limited is one of the leading medical service providers in East Africa. As one of the pioneers in the provision of private healthcare in the region, AAR's success has largely been driven by our staff and their commitment to always offer high quality and affordable healthcare - by operating responsibly, executing with excellence, applying innovative technologies and capturing new opportunities for profitable growth.

# Kenya



Being one of the largest providers of outpatient healthcare, we employ experienced medical and other staff members. We also use internationally approved disease management protocols and drug formulary supported by the state of the art information technology systems to provide consistent treatment for our clients from anywhere in East Africa.

We differ significantly from other providers in the region, not only because of our comprehensive value chain, which can successfully treat those who are unwell, but because we have a strong focus on clinical risk management and provision of preventive care. This ensures that our clients receive quality and affordable healthcare on a sustainable basis.

AAR Healthcare Kenya has 21 outpatient centres and is marking 35 years in Kenya since its

inception in 1984 and with it is the satisfaction of a dream-lived-on as envisioned by its founders. AAR has a long, robust history and at inception its services were accident and medical evacuation by road and air within the country. AAR has grown and offers a diverse portfolio of services and has retained its values of quality, innovation and excellence.

#### 1. HUMAN RIGHTS



#### Our Promise

AAR HealthCare Limited tagline, as human as you, emphasizes and recognizes the inherent dignity of all members of the human family who include our employees, patients who walk in through our doors day in day out seeking quality care as well as contracted third party companies. We subscribe to local legislation that address employment issues, labour standards and the environment (Labour Relations Act, 2008, Employment Act, 2014 and Occupational Safety and Health Act, 2007).

AAR Healthcare Kenya compensates its staff in accordance to the provisions of an up to date job evalaution, for a 44 hour work week. Staff specializing in medical courses or management courses are allowed less working hour contracts to enable them meet their study hours.

We have ensured our staff not only are free to express themselves but as part of our culture culture change training, ensured we empower staff to know it is their right to express their opinions. These among many other issues such as provision of a safe and healthy working environment, provision of privacy for staff and our clients has culminated into the company being named as one of the top 100 companies to work for in Kenya.

**AAR** Healthcare Kenya staff in one of our training sessions



Human Rights Principle 1

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

Human Rights Principle 2 Businesses should make sure they are not complicity in human rights abuses



#### Our Promise

AAR Healthcare will continue to ensure that labour relations policies and laws are adhered to. We provide a safe and healthy work environment for all employees and we have embarked on having policies that will ensure that any suppliers and third parties will or have adopted responsible labour practices.

Freedom of association is regarded as a fundamental right in the workplace and we strive to ensure employees are not victimized for this. At national level, some of our staff subscribe to trade unions that govern the healthcare industry. At company level, employees are given the opportunity to freely discuss with their managers on issues pertaining to work, either for improvement, raise questions or addressing of grievances.

We have a *non-discrimination policy* embedded in our human resource policies. This has been our foundation in ensuring that we promote diversity which has focussed on gender, skills, tribe, religion, cultural background, etc.

Labour Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

We do not discriminate on the basis of race, gender, religion or tribe.

Labour Principle 4 Businesses should eliminate all forms of forced and compulsory labour

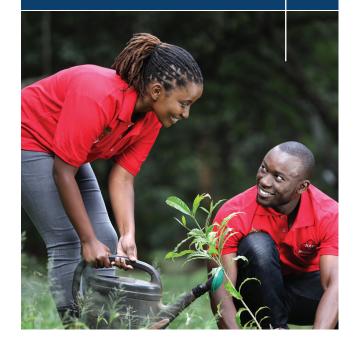


Labour Principle 5 Businesses should uphold the effective abolition of child labour

Labour Principle 6 Businesses should eliminate discrimination in respect of employment and occupation



Taking time to plant trees



## Environment Principle 7

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

## Environment Principle 8

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

## Environment Principle 9

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

#### **Our Promise**

At AAR Healthcare Limited, we recognise that environmental considerations are not separate from our core business, but an integral part of our overall business sustainability and success.

Our environmental responsibility is an issue that continues to grow in importance as we continue to expand in our operation. We remain committed to environmentally sound and sustainable growth in communities we operate in through our CSR arm named Trees for Health -T4H project.

#### How we implement

We have interested all our staff in ensuring that we all join together to conserve the environment. Our annual tree planting day that is normally held during short rains in November was a great success and we brought on board over 25 corporate organizations schools and universities to partner with us as we planted 10,000 trees in 4 hours. This was in support of the National Reform Policy in Forestry to ensure the attainment of 10% forest cover in Kenya.

We also recognise that responsible and effective environmental management offers a host of benefits, including financial savings from reduced waste generation and efficient energy consumption, easier compliance with environmental legislation, increased staff morale and pride, as well as improved customer relations. We continue to take our social and moral responsibility to manage our environment very seriously.

# 4. ANTI-CORRUPTION



We believe that corruption hinders sustainable development and impacts companies negatively by hindering economic growth, and eliminating healthy competition. Doing business in Kenya entails many challenges, and corruption has been singled out as a vice that has negative impact on business and sustainable development. Despite the pressures of competition, AAR Healthcare has continued to conduct business ethically, based on its values of integrity. We have fostered a strong, value based corporate culture and this is repeatedly outlined in our communication to staff.

Our policies cover anti-corruption and bribery. Every staff member signs a this policy. External and internal audit has also shown that there is no issue as far as this is concerned. We also have in place an online whistle blowing policy which the management staff have been trained on.



A staff training

Anti-Corruption
Principle 10

Businesses should work against all forms of corruption, including extortion and bribery

# About AAR Healthcare Uganda Limited

AAR Healthcare Uganda Limited (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.

# Uganda,





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 approved disease management protocols and drug formulary supported by the state of the art information technology systems to provide consistent treatment for our clients.

## 1. HUMAN RIGHTS



#### Our Promise

AAR Healthcare Uganda Limited upholds the rights and diginity 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 and Occupational Safety and Health Act, 2006 but also conduct sensitization trainings about the same with all employees. We also conduct regular monitoring and evaluation by the Strategic Quality Management and Human Resources Departments to assess adherence to the expected standards.

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.

AAR Healthcare Uganda also operates under internal systems and policies that promote protect human righty like; The grievance policy and whistle blower's policy among others. AAR subcribes to and upholds the patients' right charter to maximize benefits and protect rights of all clients that walk through our doors.

**AAR Healthcare Uganda staff in one of our team building activities** 



Human Rights
Principle 1

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

Human Rights
Principle 2

Businesses should make sure they are not complicity in human rights abuses

#### 2. LABOUR



#### Our Promise

AAR Healthcare Uganda Limited promotes and encourages its staff to join professional associations and unions and goes ahead to pay subscription to these associations for staff with outstanding performance. These include the Institute of Public Cerfirifed Public Accountant (CPA), The Allied Health Professionals Council (AHPC) and The Pharmacutical Society of Uganda (PSU)

The associations to which our staff subcribe include both medical and non-medical associations. At company level we run an open door policy where all staff can easily access managers at the highest level to relay any concerns or grievancies.

AAR Healthcare doesn't discriminate on the basis of gender, race, tribe, religion, or anyother stereotypes before and after recruitment of employees. AAR promotes gender equity through human resources policies that enable both male and female employees thrive at work. One of such policies is the 3 months paid maternity leave on top of the one month annual leave for female employees who give birth. Male employees are equally entiled to 14 days paid paternity leave.



Labour Principle 3

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

Labour Principle 4

Businesses should eliminate forms of forced and compulsory labour

Labour Principle 5

Businesses should uphold the effective abolition of child labour

Labour Principle 6 Businesses should eliminate discrimination in respect of employment and occupation



#### 3. ENVIRONMENT

AAR Healthcare Uganda Staff engaged in a tree planting exercise.

# Environment Principle 7

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

### Environment Principle 8

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# Environment Principle 9

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#### Our Promise

AAR Healthcare Uganda is cognisant of the possible threats of its operations to the environment has taken a proactive approach towards protecting the environment and promoting environmental preserving activities.

We run a robust waste management program through the strategic quality management department using companies certified by local authorities and following internationally recommended waste management protocol. We also regularly monitor clinic effluent especially from the laboratory to determine the extent of threat to the environment and as such institute preventive measures.

AAR Healthcare Uganda also runs a program called Trees for Health (T4H) in which all staff led by appointed champions (but on a voluntary basis) actively participate in conserving the environment by planting trees. In this program we mainly target schools where we plant trees depending on the school's available space but also give health talks and deworm children. This year we have planted 1.638 trees.



# 4. ANTI-CORRUPTION



We believe that corruption hinders sustainable development and impacts companies negatively by hindering economic growth, and eliminating healthy competition. Doing business in Uganda entails many challenges, and corruption has been singled out as a vice that has negative impact on business and sustainable development. Despite the pressures, AAR Healthcare Uganda has continued to conduct business ethically, based on its values of integrity. We have fostered a strong, value based corporate culture and this is repeatedly outlined in our communication to staff.

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A staff stakeholder activity with institutional corruption as one of the key topics discussed

Anti-Corruption Principle 10

Businesses should work against all forms of corruption, including extortion and bribery

# About AAR Healthcare Tanzania Limited

AAR Healthcare Tanzania Limited (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.

# - Tanzania 🖥





#### 1. HUMAN RIGHTS



#### Our Promise

AAR Healthcare Tanzania in its Recruitment Policies and practices adheres to requirements on safe and healthy working conditions. We guarantee freedom of association with relevant Trade Unions & ensure non-discrimination in personnel practices. We comply with internaional labor laws to ensure no direct or indirect forced labour or child labour in our operations. We support staff in documentation for bank loans to enhance personal ecomomic empowerment by engaging

banks to negotiate friendly check of rates for our staff. Staff have feedom of religious association, freedom to join relevant professional associations and other registered bodies relating with individual beliefs, grouping or associations.

AAR Healthcare Tanzania has in place explicit policies that protect the human rights of workers in its direct employment, confidential information of an individual and families, disability, private level of education, tribal beliefs or civil and criminal incidences, tax payment to the govt, loan payments status the company actively engage in open dialogue with stakeholder groups,

including civil society organizations, and finally the company have an explicit policy to ensure that its security arrangements do not contribute to human rights violations, adhering lay off by involving trade unions without impeding staff rights due payments and fairly compensation for salary rise based on assessed performance and non performer awarded accordingly

**AAR Healthcare Tanzania staff** donating a sanitary towels to a Primary school in Arusha Region

> Human Rights Principle 1

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Human Rights Principle 2 Businesses should make sure they are not complicity in human rights abuses



#### 2. LABOUR



#### Our Promise

AAR Healthcare Tanzania treats all its employees as an individual; and as partner in negotiations. Further, the representative Trade Union has been given free will as per the Tanzania labor law to recruit members accordance with national law. We have also put in place non-discriminatory policies and procedures with respect to trade union organization, union membership and activity in such areas as applications for employment and decisions on advancement, dismissal or transfer; we do not interfere with the activities of worker representatives while they carry out their functions in ways that are not disruptive to regular company operations. Moreove we allowing the trade union to do collection of union dues on company premises, posting of trade union notices and Address any problem-solving or other needs of interest to workers and management, trade union being involved in redundancy procedures, safety and health issues, grievance and dispute settlement procedures ,counselling on disciplinary related issues.

AAR Healthcare Recruitment Policy prohibits recruitment of underage employment in line with provisions in the Tanzania Employment and Labour Relations Act, 2004 section 5 (1) We ensure that all company officials have a full understanding of what forced labour is. Our empoyment contracts are clear on the terms and conditions of service, the voluntary nature of employment, the freedom to leave (including the appropriate procedures) and any penalties that may be associated with a departure or cessation of work; We write employment contracts in languages easily understood by workers, indicating the scope of and procedures for exit.

AAR Healthcare Tanzania is aware of country, regions, sectors, economic activities where there is a greater likelihood of child labour and proactively mitigates this through relevant policies and procedures. We adhere to minimum age provisions of national labour laws and regulations and, where national law is insufficient, take account of international standards. We use adequate and verifiable mechanisms for age verification in recruitment procedures.

We have instituted company policies and procedures which make qualifications, skill and experience the basis for the recruitment, placement, training and advancement of staff at all levels, We assign responsibilities for equal employment issues at a high level, issue clear company-wide policies and procedures to guide equal employment practices, and link advancement to desired performance in this area. We Keep up-to-date records on recruitment, training and promotion that provide a transparent view of opportunities for employees and their progression within the organization. Where any form of discrimination is identified,

grievance procedures are followed to address complaints, handle appeals and provide recourse for employees. We provide staff training on non-discrimination policies and practices, including disability awareness. We commit to reasonably adjust the physical environment to ensure health and safety for employees, customers and other visitors with disabilities and provided by ELRA , 2004 under section 7 (1) "Every employer shall ensure that he promotes an equal opportunity in employment and strive to eliminate discrimination in any employment polict or practices"



Labour Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

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Labour Principle 5

Labour Principle 6 Businesses should uphold the effective abolition of child labour

Businesses should eliminate discrimination in respect of employment and occupation



#### 3. ENVIRONMENT

**Staff Tree Planting** in Tanzania



## Environment Principle 7

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## **Environment** Principle 8

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## Environment Principle 9

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#### Our Promise

AAR Healthcare Tanzania has established different supporting procedures and manuals on environmental and safety matters. Such documents include Standard Operating Procedures, Environmental Management Policy Manual, Occupational Health and Safety Policy Manual, Environment Health and Safety Policy, Management of Harzadous Wastes Guidelines, Infection Prevention and Control Guidelines which act as reference and guidelines during its operations and decision making.

AAR Healthcare Tanzania has been involved in environmental audits, environmental talks and trees planting to promote environmental responsibility within and outside the company. Regular facility audits and annual Water Effluent Tests have been carried out to measure the extent of adherence to the guidelines. Training on Environmental and Safety matters has been conducted whenever gaps were identified through audit reports.

We are taking initiatives in protecting the environment through use of modern machines and instruments which use minimum energy and water consumption during operations (energy serving bulbs/lamps, modern generators, water metres to control water consumption).

AAR Healthcare Tanzania also runs a voluntary staff Corporate Social Responsibility program called Trees for Health (T4H). Through this program, we promote enviromental sustainability while ensuring health for the communities within which we work. We do this through planting and nurturing trees, dewormng of primary school children as well as Health and career talks for these students.

Through this progam in 2018,

- 37.545 children were dewormed
- 93,372 trees were planted
- 27.661 Health talks and career talks were presented.

### 4. ANTI-CORRUPTION



All AAR Healthcare Tanzania staff are trained on elements of bribery and corruption at work places. Staff was trained on:

- Main Legislations & laws governing corrruption
- How corruption in the workplace presents
- How to identify & avoid corruption at workplaces

There is in place an anticorruption working document which will be signed by all employees. This document will form a guideline on reporting any corruption practices through sharing experiences and best practices across the region. Signing of the "Anti-corruption Call to Action", will be for all employees which is a call to address corruption and foster effective governance. Through this, AAR Healthcare Tanzania will continue to integrate anti-corruption into our strategies and operations.

The whistle blower policies ensures that all staff and our partners can voluntarily provide information on any intended or occured events that may be perceived as accomodating corruption or unacceptable practices.



AARHC Tanzania management team in a training

Anti-Corruption
Principle 10

Businesses should work against all forms of corruption, including extortion and bribery





