

Africa Biosystems:
UN Global Compact
Annual Report

Communication
on Progress

2016

Africa Biosystems



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Africa Biosystems: COP UN Global Compact

Statement of the company's chief executive (CEO or equivalent) expressing continued support for the Global Compact and renewing the company's ongoing commitment to the initiative and its principles.

February 5th 2016

To our stakeholders:

I am pleased to confirm that Africa Biosystems Limited reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption.

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

Sincerely yours,

Yasmin Verjee

Managing Director

Human Rights Principles

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses

Assessment, Policy and Goals

Human Rights are critical for a company to succeed both internally and externally.

Internally: Our team at Africa Biosystems relies on talented human capital to drive sales for cutting edge life sciences equipment in the region. We also build capacity on the continent by investing in education and training of local talent to enhance specialized skill sets. Our talent is key in achieving business success and we support all 30 Articles of the Universal Declaration of Human Rights, recognizing the inherent dignity and of the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world.

Keeping this Declaration constantly in mind, ABL strives to teach and to promote respect for these rights and freedoms.

Externally: Our core purpose is to drive transformational change in Eastern Africa, using cutting edge life science technology to empower human health and create the basis for peace, security and human dignity through the use of DNA forensics.

Implementation

Internally: Protecting human rights are a core value for our business. Human Rights protection falls under the responsibility of our Director of Operations, Johnny Verjee.

Externally: In Kenya, many human rights violations occur. In fact, statistics from Kenya indicate that 300 rape cases are reported every week, and the total could be 10 times this when including unreported cases. Recently, a gang Rape of a 16 year old girl in Kenya highlighted how severe the issue is.

http://www.huffingtonpost.com/2013/10/28/kenya-gang-rape-petition_n_4171283.html

In 2015, Africa Biosystems invested in training and capability building to train KEMRI (Kenya Medical Research Institute) in workflow management for sexual assault case work and efficiency in identifying body parts.

In addition Africa Biosystems trained Government Chemists in Kenya, Uganda and Tanzania in the use of Human Identification Kits and Ebola kits.

ABL assisted a young woman called 'Melissa' with surgery to restore her eyesight. She had a severe condition and vision impairment. She would have been rendered blind with no surgery. ABL paid for the full cost of the surgery. Melissa is better and can now see with both her eyes, as the surgery was a success.

In 2015, ABL sold DNA kits to the Kenyan Government Chemist to help them identify suspects and conduct criminal investigations. In addition, we extended free of charge training and application support to for DNA extraction for tissue and bone samples. This enabled correct results that can be entered into a trial. The estimated value of training is \$10k USD. ABL also extended free training to the Government Chemist in Tanzania. This included Sample Acquisition at the scene of the crime, DNA extraction, amplification and analysis. The estimated value of the training was \$10k USD.

Measurement of outcomes

Internally, our Director of Operations ensures that all grievances are addressed fairly and in line with the UN Global compact principles and in accordance with the laws of the countries we operate in. Externally, we aim to support at least one event per year to highlight how technology can be used to secure our Human Rights, as per the article highlighted above.

Labor Principles

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 labor;

Principle 5: the effective abolition of child labor; and

Principle 6: the elimination of discrimination in respect of employment and occupation

Assessment, Policy and Goals

ABL commits to the UN Global Compact principles for Labor Rights. In addition, ABL support the eight fundamental ILO Core Conventions on prohibition of forced labor, child labor, the right to organize in a trade union, and suffer no discrimination. Our company is mid-sized, and has a highly collaborative

culture where employees can express any labor issues openly. All our offer letters to our employees highlight employee rights, responsibilities, compensation, and benefits.

Implementation

ABL's collaborative culture ensures high level of employee engagement so any grievances can be discussed. Our Director of Operations is responsible for all labor policy and ensuring labor rights.

We ensure that we compensate our staff at fair market rate, and continue to test the market and adjust compensation accordingly based on budget and market drivers.

Measurement of outcomes

We measure the number of labor related violations in accordance with Global Compact Labor principles (e.g. compulsory labor, child labor, discrimination) and are pleased to report none to date. In addition, from a diversity perspective, we have increased the number of women staff in our company for gender balance and equality, and are pleased to report that 50% of our staff continues to be female, which includes Yasmin Verjee, our Managing Director. We hired a female Field Applications Specialist and have trained her in cutting edge skills.

Environmental Principles

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies

Assessment, Policy and Goals

ABL supports the UN Global Compact Principles on Environment. ABL promotes environmental responsibility by driving DNA technology to enable environment preservation.

Implementation

ABL continues to support the transformative \$40 million project to revitalize Africa's orphaned crops. Orphan crops' are African food crops and tree species that have been neglected by researchers and industry because they are not economically important on the global market. The 100 targeted crops are the 'back garden' crops of rural Africa, home to 600 million people. So improving them will greatly improve

the diets of Africa's children, helping to eliminate hunger and malnutrition, which causes stunting. Stunting - short stature for age and incomplete neurological development - is rife among the children of rural Africa.

In addition we are continuously looking to reduce our environmental footprint in other ways, from using recycled content and reducing unnecessary travel. We are actively focusing on reducing our footprint by printing less paper and communicating more electronically.

We believe in training the local labor force and building capacity in Kenya. In 2015 we employed 4 interns for a period of 6 months to give them opportunities and teach them what it is like to work in a scientific environment after graduating from their studies. We placed them in the field to meet various customers to gain an insight into life sciences technology. We paid them a salary for the duration of their internship.

A decision was made in 2015, and logistics are being prepared in 2016 to provide 30 computers at three primary schools on the outskirts of Kampala. The children being targeted have never had a computer before and this will be transformational.

Description of concrete actions to implement environmental policies, reduce environmental risks

ABL has assisted companies in East Africa to offer In-Vitro fertilization technology. In addition, it will help them in the mid-term for cancer diagnosis and STEM cells. ABL also extended training Africa Crop Consortium on genome typing of the orphan crops. We did this with partners Life Technologies, at the internal center for Agro Forestry. NEPAD project. Managing Director Yasmin Verjee says "this technology will improve the nutrition and productivity of important crops in Africa and will ultimately reduce malnutrition and stunting that millions of children suffer."

In 2015 ABL sponsored various symposiums including a workshop for Kenyan PhD students and provided them with materials at a very subsidized rate. We hosted a molecular biology workshop for application training to our customers in Tanzania. Additionally, ABL held a DNA / Forensic workshop in Kenya for our forensic customers, including the Kenyan Government Chemist. This is critical in enhancing the security environment in the region. We introduced microscopy instruments in academia at several universities for example, University of Nairobi, Strathmore University, Kenyatta University, and Makerere University in Uganda. ABL did a placement of automat express and verity in Uganda to help the Uganda Government Chemist to expedite the backlog of their criminal cases. We sponsored 4 customers to attend a conference in next generation sequencing organized in South Africa by Thermo Fisher Scientific.

Measurement of outcomes

ABL continues to strive towards driving environmental awareness both internally within the company and externally. Our Senior Management reviews our environment impact on a quarterly basis, assessing ways to improve internally and looking for opportunities to contribute externally that leverages our knowledge, people and technology.

Anti-Corruption Principles

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Assessment, Policy and Goals

ABL and our employees are committed to achieving a high standard of ethical behavior in everything that we do. Ethics and Integrity are a key part of the company's core values. Our tag line is "Ready, Reliable, and Ethical."

Implementation

All our employees sign a professional code of conduct where our principle of Teamwork, Mutual Respect, Collaboration are included in addition our core focus on Ethics and Integrity. We are all responsible to ensure Ethics and Integrity in our everyday work.

Measurement of outcomes

Corruption is not tolerated in our business. And we turn down any business opportunities if any such incidents arise. Senior Management reviews all the deals on a weekly basis with the sales team to ensure that the deals are transparent and in line with our professional code of conduct.

Going forward, we aim to develop a code of conduct that our employees will review and sign up to on a yearly basis.