

Code of Ethics for Business in Kenya

Letter of Commitment & Engagement

As a company doing business in Kenya, and in my capacity as the CEO/Chairman of

KPMG KENYA/KPMG ADVISORY SERVICES LTD (please write name of company),

I hereby express my company's voluntary will and commitment to:

(Please tick applicable box):

Support and implement the Code of Ethics for Business in Kenya as per category 1	<input checked="" type="checkbox"/>
Support and implement the Code of Ethics for Business in Kenya as per category 2	<input checked="" type="checkbox"/>

In order to demonstrate our commitment to this Code in the Category chosen, we shall endeavour to do the following:

- 1) Our company and its entire staff will aspire to live up to the Code and adhere to the requirements as set out in the applicable category of engagement;
- 2) We shall demonstrate visible and active commitment to the implementation of this Code;
- 3) We shall base our Company policies on the Code and provide leadership, resources and active support for implementation of the Code;
- 4) We shall dedicate resources towards achieving the aspirations of the Code; Further, we shall ensure that the company Code of Ethics and ethical internal control and operation mechanisms serve to strengthen this Code;
- 5) Our enterprise shall ensure that subsidiaries, joint ventures, and branches over which we maintain effective control subscribe to ethical business. Where we do not have effective control we shall make known our ethical policy and use our best efforts to monitor that the conduct of such subsidiaries, joint ventures and branches is consistent with the Code;
- 6) Our business enterprise shall make known its ethics and anti-bribery policies to contractors and suppliers;
- 7) We shall make it mandatory that all known instances of corruption are reported to the relevant authorities.

This letter of commitment will be renewed annually with communication to the GCNK secretariat :

JOSPHAT MWAMBA

CEO

J. Mwamba

Full name

Designation

Signature

22-3-2016

Name of company/organization

Date

Witnessed By (KAM/KEPSA): Name:

CAROLE KARIUKI (CEO)

Signature:

[Signature]



Global Compact Network
Kenya



The Voice of Private Sector in Kenya

Adherence to the Code Of Ethics

A company commits to the Code of Ethics by signing this Letter of Commitment and Engagement.

Levels of Engagement:

Category 1: ADHERE: In the **first year** following their commitment to the Code of Ethics, companies are not expected to report on their adherence to the Code, but they have to:

- ◆ Aspire to adhere to the Code;
- ◆ Make it public that they have committed to the Code of Ethics (on website, in annual report or through the annual Communication on Progress report);
- ◆ Participate in seminars and workshops organised by the Global Compact Network Kenya (GCNK), Kenya Association of Manufacturers (KAM), Kenya Private Sector Alliance (KEPSA) and Federation of Kenya Employers (FKE).

Category 2: INTEGRATE and REPORT: From the **second year** after committing to the Code of Ethics, a company will publicly report on its progress with regard to the implementation of the Code. The company will also make its report available to the GCNK Secretariat. In this report, the company will indicate:

- ◆ How it has applied and integrated the Code within the company;
- ◆ Progress it has made with implementing an internal ethics and anti-corruption management programme (e.g. ethics and corruption risk assessment, top level commitment, policies and procedures, effective implementation, training, awareness, monitoring and review);
- ◆ Whether its report has been externally audited (which is optional).

In addition, a company will:

- ◆ Visibly promote responsible business conduct and convince other companies to also commit to the Code of Ethics; and
- ◆ Participate in seminars and workshops organised by Global Compact Network Kenya.

A company may immediately start adhering to the criteria under 'INTEGRATE and REPORT' from year 1, but will only have to start reporting from year 2.



Implementation

As leaders, we set the ethical tone in our organisations. We demonstrate our ethical commitment by creating policies and structures to implement the values and obligations of this Code in our organisations, and by reporting annually on our adherence to this Code.

A company commits to the Code by signing a letter of engagement.

Adherence

In the first year following their commitment to the Code, companies are not expected to report on their adherence to the Code, but they have to:

- Aspire to adhere to the Code;
- Make it public that they have committed to the Code (on a website, in an annual report, or through the annual Global Compact Communication on Progress report); and
- Participate in seminars and workshops organised by GCNK, KAM, KEPSA and FKE, where relevant.

Integration and Reporting

From the second year after committing to the Code, a company will publicly report on Code implementation progress. The company will make its report available to the GCNK Secretariat. In this report, the company will indicate:

- How it has applied and integrated the Code in the company; and
- Progress it has made with implementing an internal ethics and anti-corruption management

programme, for example, ethics and corruption risk assessment; top level commitment; policies and procedures; effectiveness of implementation; training; awareness; and monitoring and review.

In addition, a company will:

- Visibly promote responsible business conduct and exert influence on other companies also to commit to the Code; and
- Participate in relevant seminars and workshops organised by GCNK, KAM, KEPSA and FKE.

A company may immediately start adhering to the criteria under 'INTEGRATION and REPORTING' from the first year, but only needs to start reporting from the second year.

Non-adherence

Non-adherence to this Code has consequences. Should a signatory company transgress this Code, organised business will institute the following three steps, taking cognisance of the particulars of the case:

- step 1** ➤ Discuss the transgression with the offending company at the highest level (Board of Directors, CEO) to ensure that steps are put in place to avoid a recurrence;
- step 2** ➤ Release a public statement expressing moral disapproval of the transgression; and
- step 3** ➤ Publicly exclude the offending company from the Code until it is satisfied that the transgression has been corrected.

Global Compact Network Kenya

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