### **Implementation**

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.

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 | >> 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:



Step2 »Release a public statement expressing moral disapproval of the transgression; and



step3 > Publicly exclude the offending company from the Code until it is satisfied that the transgression has been corrected.

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# CODE of Ethics for Business in Kenya











#### **Preamble**

This Code

- Is an initiative by the business community of Kenya to promote and enhance the ethics of business conduct in Kenya in line with the ten principles of the UN Global Compact in the areas of Human Rights, Labour Standards, Environment and Anti-corruption;
- Applies to private companies who expect their business partners likewise to adhere to it; and
- Does not replace, but complements, individual company codes of ethics.

#### The Code

We, the business community, recognise that ethical business brings about good business. We are committed to play a proactive role in building a globally competitive and prosperous nation, with a high quality of life, as envisioned in Vision 2030.

As good corporate citizens, we commit to treating our stakeholders with Respect, to run our businesses with Responsibility, to act in Compliance with applicable laws, and to be actively involved in Corruption Prevention. Our commitment to these ethical standards determines our interaction with our stakeholders (that is, our organisations; our shareholders and investors; users of our products and services; our suppliers, contractors and agents; our society; and our state and government) and the environment.

#### **Our Organisations**

- Respect: We respect the human rights and dignity of all our employees and do not tolerate unfair discrimination or favouritism.
- Responsibility: We take responsibility for providing decent, safe and healthy work environments for our employees, and for developing their talent.
- Compliance: We comply with labour laws and related regulations, safety and health policies, and standards of decent work.
- Corruption Prevention: We actively develop anticorruption programmes, institute internal control systems, and build a culture of corruption-free business practice.

#### **Our Shareholders and Investors**

- Respect: We respect our shareholders and other potential investors for financing our organisations, thus creating employment in the nation.
- Responsibility: We take responsibility for economic development by pursuing a healthy return on investment.
- Compliance: We comply with principles of good governance that inspire investor confidence.
- Corruption Prevention: We avoid corrupt practices that can harm the good reputation of our shareholders and other investors.

#### **Users of Our Products and Services**

- Respect: We respect our customers and clients, do not mislead or exploit them, and value their feedback.
- Responsibility: We communicate truthfully on our products and services and take responsibility for their safety and quality.
- Compliance: We comply with consumer protection laws, refrain from anti-competitive practices, and ensure that our products and services meet health and safety standards.
- Corruption Prevention: We embrace corruption-free practices to ensure that users can trust our products and services.

As good corporate citizens, we commit to treating our stakeholders with Respect, to run our businesses with Responsibility, to act in Compliance with applicable laws, and to be actively involved in Corruption Prevention.

## Our Suppliers, Contractors, and Agents

- Respect: Our interaction with our business partners is based on mutual respect and therefore we engage in win-win relationships.
- Responsibility: We encourage our business partners to share our commitment to responsible business.
- Compliance: We comply with all contractual and legal obligations agreed with our business partners, and we pay them on time.
- Corruption Prevention: We do not give or receive bribes and avoid corrupt practices that can harm our relationships with our business partners.

#### **Our Society**

- Respect: We respect the people and social and cultural norms of the communities in which we operate.
- Responsibility: We take responsibility for the impact of our operations on local communities, and we contribute to the development and strengthening of the societies in which we operate.
- Compliance: We comply with the ethical norms of the society from whom we earn our license to operate.
- Corruption Prevention: We collaborate with communities and civil society organisations to create a corruption-free society.

#### **Our State and Government**

- Respect: We respect the elected government, the rule of law, and all organs of the state.
- Responsibility: We are responsible and law-abiding corporate citizens who co-operate fully with the government to promote good governance in our nation.
- Compliance: We comply with all laws and regulations of our country, and we pay our taxes.
- Corruption Prevention: We do not bribe public officials or engage in corrupt practices, we report corruption, and we collaborate with the government to stamp out corruption.

#### **Our Natural Environment**

- Respect: We treat our natural environment and biodiversity with respect.
- Responsibility: We take responsibility for our impact on the natural environment, support green business practices, and take remedial actions to ensure the sustainability of our natural resources.
- Compliance: We comply with environmental laws and regulations and implement environmentally sustainable practices.
- Corruption Prevention: We avoid corrupt practices that can degrade our natural heritage.

