



Code of Ethical Conduct



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1. Definitions of Terms

“Bribery” refers to either giving a bribe, receiving a bribe, or both.

Business Gift is anything of value given as a result of a business relationship, where the recipient does not pay a fair market value. A business gift can be in any form, e.g. tickets to the theatre, a discount not available to the general public, or an art object.

“Code of ethics” is a written set of guidelines issued by an organization to its workers and management to help them conduct their actions in accordance with its primary values and ethical standards.

“Code of conduct” is a guide of principles designed to help professionals conduct business honestly and with integrity.

“Conflict of interest” refers to an intentional act or omission designed to deceive others, resulting in the Company suffering a loss and/or the perpetrator achieving a gain which is specifically occupational fraud

“Corporate Values” refer to values that drive and support business behavior. The Company’s current Corporate Core Values are Commitment, Integrity, Respect and Humility, Team-work and Continuous Improvement

“Corruption” is defined as the abuse of authority for personal advantage or for the advantage of another person or group and it includes bribery, theft, embezzlement, fraud and evasion of payment of government revenue and taxes.

“Corruption Prevention” is adhering to sound ethical principles and includes anticipating areas of misconduct and corruption and having measures in place to counter them.

“Directors” Refers to all Executive Directors, Non-Executive Directors and Independent Non-Executive Directors of FTG Holdings Limited and its Subsidiaries.

“Environmental Risk” A measure of the potential threats to the environment that activities may have. It combines the probability that events shall cause or lead to the degradation of the environment and the magnitude of the degradation.

“Sustainability Practices” Carrying out business and other organizational activities in a manner that meets the needs of the present without compromising the ability of future generations to meet their needs. This encompasses the economic, social and environment dimensions of the activities.

“Ethics” is a system of moral principles, dealing with values relating to human conduct, with respect to the rightness and wrongness of certain actions and to the goodness and badness of the motives and ends of such actions.

“Fraud” is the intentional perversion of truth in order to induce another to part with something of value or to surrender a legal right.

“Proprietary information” is sensitive information that is owned by a company and which gives the company certain competitive advantages.

“Relevant Function or Activity” means any activity connected with the Group or its Subsidiaries and associated entities; any activity performed in the course of a person’s employment with the Group, or its Subsidiaries, or any associated entities; or any activity performed by or on behalf of the Group, or its Subsidiaries, or any associated entities; even if the function or activity is performed in a county or territory outside Kenya.

2. Purpose

The purpose of this policy is to outline the expected standards of moral conduct required of FTG Group Staff and others acting for the Group.

The Company’s Code of Conduct is based upon ethical common sense and is not a legal document. It is designed to let everyone know the values that should guide him or her in their daily business activities. The Company’s reputation for honesty, integrity, excellence and fairness is one of its most important assets, and the highest standards should govern all actions. Decisions made within the Company should honor the spirit and the letter of applicable laws. To this end, everyone will be honest and ethical in all of his or her business dealings.

3. Scope & Audience

This policy applies to all Directors and employees of FTG Group, and to associated persons including Suppliers, Consultants, agents and others acting for and in relationship with the Group.

4. Key Guidelines

4.1 Conflicts of Interest

A conflict of interest exists where loyalties are divided, and the interest of a private individual interferes with the interests of the Company as a whole. It is expected that the Company will guard against any possibility of conflict of interest.

Examples of situations where conflicts of interest have the potential to arise include:

- i) purchasing practices;
- ii) engagement of consultants;
- iii) outside employment;
- iv) interest in an entity providing products or services to the entities of FTG;
- v) giving and receiving gifts, prizes and hospitality;

i) Responsibility to Shareholders

The Company is committed to delivering shareholder value by managing resources at its disposal in the best way possible to achieve the most desirable outcome. Whilst maximizing the shareholder value of the Company is of utmost importance, the Company also considers that human, social, and natural assets are also of great importance. The Company complies with International Financial Reporting Standards, the Companies Act and other regulatory Authorities.

ii) Responsibility to Customers

The Company is committed to providing excellent quality & service and value for money to its customers, while at the same time adhering to safety standards. The Company recognizes that providing excellent customer service is critical to its success, and all staff are trained to help them attain the level of excellence required.

iii) Personal Responsibility

The Company is committed to being honest, behaving with integrity and providing value to its customers. This can only be achieved through the Company's people. In particular, employees should deal fairly and honestly with customers, each other, business suppliers and competitors. For this to happen, the obligations and responsibilities must fall equally on the Company and all of its employees.

Employees will:

- a. Treat customers, the public, suppliers, competitors and fellow employees with honesty, courtesy and respect;
- b. Respect and safeguard the property of customers, the Company and fellow workers;
- c. Maintain the confidentiality of all customers, the Company and other parties' information gained through work;
- d. Perform all duties to the best of their abilities taking into account their skills, experience, qualifications and position;
- e. Perform their jobs in a safe, responsible and effective manner;
- f. Ensure their personal business and financial interests do not conflict with their duty to the Company's policies and rules;
- g. Maintain a work environment free of unlawful discrimination; and
- h. Obey the law.

Managers and Supervisors will:

- a. Respect every employee's rights, dignity, freedom and individual needs;
- b. Provide a working environment that is safe, challenging and rewarding;
- c. Recognize the work of each of their employees;
- d. Reinforce the Company's commitment to the highest standards in business and professional ethics;
- e. Uphold the principles of equal opportunity; and
- f. Obey the law.

4.2 Confidentiality

All information relating to the Company's business obtained by Director's, executive officers and employees in the course of performing their job role is to be considered confidential unless the Company has officially made the information public. The confidentiality and privacy of the Company's business information must be maintained and protected from any disclosure. To ensure commercial information is kept confidential, all Directors, executive officers and employees are required to exercise care to reduce the likelihood of unauthorized disclosures of information.

4.3 Bribes, Pay-Offs or Kick-Backs

No bribes, pay-offs, kick-backs or other considerations will be paid or received directly or indirectly by any Director or employee.

4.4 Business Records

Employees must not destroy business documents or records that are required either by law to be maintained for a statutory period or for any future dispute process. Records must not be falsified or manipulated. Business records can only be destroyed with authorization and in accordance with approved Company policies and rules.

4.5 Dealing with Suppliers of Goods and Services

Company business is awarded to suppliers on the basis of suitability, quality and price. Each employee involved in the buying of goods and services for the Company must avoid any relationship, financial or otherwise, with suppliers that could easily be seen as unfairly influencing judgment.

4.6 Environment

The Company is committed to sound and responsible environmental practices and to full compliance with all environmental laws and requirements. The Company seeks to observe environmental best practice and relies on its employees to be responsible for maintaining and respecting the environment. Examples of offences include air, water, noise, and land pollution, failing to comply with environmental approvals, and acting without consent. The Company has an environmental policy that directs employee and management responsibilities in respect of the environment.

4.7 Fair Competition

(a) Fair competition means that employees will:

- know and follow the Company's legal obligations to its competitors;
- compete on the basis of customer service and value for money product rather than obstructing competitive conduct; and
- only use the Company's strength in a particular market in legitimate ways.

(b) Employees will not:

- unfairly discriminate between customers when supplying products and services;
- refuse to deal with, or discriminate against, a customer for any improper reason; or
- intimidate or threaten another person or organisations.

(c) The Company aims to conduct business fairly, and to compete solely on the merits of its products and services.

(d) In all dealings with others, employees will be courteous, well informed and truthful, and will be careful not to misrepresent the quality, features or availability of the Company's products.

(e) Competitive information will be obtained only by ethical means – covert attempts to gain competitive information is not permitted.

4.8 Grievance Handling

The Company aims to foster good relations amongst employees and between employees and management. The Company acknowledges that job satisfaction is reflected in how well you work and how well you relate to your colleagues, customers and suppliers. The Company also acknowledges that problems can arise at work that may sometimes cause employees to feel aggrieved. These problems can arise from the behavior or decisions of management or other employees. The Company has a Whistleblowing policy to allow for grievances to be addressed in a timely and confidential manner.

4.9 Harassment and/or Bullying

The Company is committed to providing a work environment that is pleasant for employees to work in and conducive to good workplace relations. Harassment or bullying of any person on any basis will not be tolerated. This requires the avoidance of unwelcome behavior that is based on an attribute such as sex, race, disability, age, pregnancy, marital status or sexuality and offends, humiliates or intimidates the person being harassed. Bullying includes physical abuse or psychological abuse.

4.10 Improper Influence

No pressure is to be put on employees to influence their personal preferences in private or political matters. Further, no approval or disapproval should be shown by anyone in their Company role, of an employee's private or political preferences or activities.

4.11 Intellectual Property

An employee must notify the Company of all inventions, discoveries, improvements or other forms of intellectual property made by the employee during their employment. All intellectual property in connection with the business of the Company shall belong to and be the absolute property of the Company with no compensation being due to the employee in respect of the intellectual property.

5. Roles and Responsibilities

FTG Group shall establish feedback mechanisms and other internal processes supportive of the Code of Ethical Conduct.

If an employee considers that anything required of him/her is a contravention of this code of Ethical conduct or is otherwise improper or unethical, they shall report the matter to the next higher level of authority or the designated manager.

FTG Group internal audit shall provide the necessary assurance that controls against bribery and corruption are effective. In addition, the internal audit function shall review the suitability, adequacy, and effectiveness of the Code of Ethical Conduct.

FTG Group Board and senior management are responsible for ensuring that adequate supporting policies, procedures and resources are available to ensure that this Code of Ethical conduct is enforced and that the Group maintains a positive image within the industry and the economy as a whole.

The Chief Executive is the Responsible Executive and shall have overall oversight on execution of this Code of Ethical Conduct. Responsible for ensuring Subsidiary Business and Functions receive adequate support from the Parent Company in implementation of this Group Code of Ethical Conduct.

Subsidiary General Managers shall assist the Company's Board through the Group CEO in providing oversight on the implementation of the Code of Ethical Conduct in the respective subsidiaries, and ensuring an effective management framework in line with the Code and conforming to national regulations.

All employees shall adhere to this code and report any incidence of contravention of this Code of Ethical Conduct.

6. Breach to the Policy

Any member of staff found to have violated this Policy will be deemed to have committed gross misconduct and shall be subject to FTG Group's established disciplinary actions, including but not limited to suspension, summary dismissal, and/or termination of employment or contract in accordance with FTG Group disciplinary procedures in place.

FTG Group Code of Ethical Conduct	Version:	FTG.V001	Date Approved:	
	Authority:	FTG Group Board	Policy Owner:	Group Chief Executive Officer